Also, petition of the Star Expansion Bolt Co., of New York, N. Y., protesting against the reduction of the duty on sugar; to the Committee on Ways and Means.

Also, petition of Baer Bros., of New York, N. Y., against the reduction of the duty on bronze powders; to the Committee on Ways and Means.

By Mr. FITZGERALD: Resolutions of the Pennsylvania Millers' State Association, urging that if a tariff be placed on grain an equalizing tariff be placed on the products of grain, etc.; that if products of grain be admitted free, grain be admitted free; to the Committee on Ways and Means.

By Mr. GERRY: Petition of the Rhode Island Association Opposed to Woman Suffrage, protesting against enfranchisement of women; to the Committee on the Judiciary.

Also, petition of sundry employees of the Warwick and Phenix Lace Mills, of Riverpoint, R. I., against the reduction of the tariff on laces and lace curtains; to the Committee on Ways and Means.

Also, petition of the Rhode Island State Federation of Women's Clubs, protesting against the placing of forest reservations in the control of individual States; to the Committee on the Public Lands.

Also, petition of the Rhode Island State Federation of Women's Clubs, favoring the passage of legislation prohibiting importation of wild-bird plumage; to the Committee on Ways and Means.

By Mr. GOULDEN: Petitions of 35 citizens of the twenty-third New York district, against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

Also, petition of 1,000 public-school teachers and students of the city of New York, favoring the passage of section 438 of the tariff bill; to the Committee on Ways and Means.

By Mr. GRIEST: Petition of the Pennsylvania Millers' Association, urging the establishment of a just parity in the tariff between the raw material and the manufactured products of grain; to the Committee on Ways and Means.

By Mr. MAGUIRE of Nebraska: Petition of the Commercial Club of Gering, Nebr., protesting against the proposed reduction of the tariff on sugar; to the Committee on Ways and Means.

By Mr. METZ: Petition of sundry employees of the Moehle Lithographic Co., Brooklyn, N. Y., protesting against the reduction of the tariff on lithographed articles; to the Committee on Ways and Means.

By Mr. NORTON: Petition of Daniel Freeman, Alice B. Sargent, and others, favoring the passage of legislation prohibiting the importation of the plumage of wild birds for the use of milliners; to the Committee on Ways and Means.

By Mr. REILLY of Connecticut: Petition of Cigarmakers' Union, No. 42, of Hartford, Conn., against free trade in tobacco and cigars with the Philippine Islands; to the Committee on Ways and Means.

Also, petition of the Woman's Club of Ansonia, Derby, and Shelton, Conn., favoring the clause in the tariff act prohibiting importation of birds for plumage, etc.; to the Committee on Ways and Means.

Also, petition of the Board of Trade of Hardford. Conn., against the location of the headquarters of the customs service at Bridgeport; to the Committee on Ways and Means.

By Mr. SCULLY: Petition of W. Strother Jones, favoring an amendment to the income-tax section of the tariff bill exempting mutual life insurance companies from taxation; to the Committee on Ways and Means.

Also, petition of the National Association of Window Glass Manufacturers, of Pittsburgh, Pa., against the reduction of the duty on window glass; to the Committee on Ways and Means.

Also, petition of the Pencil Exchange, Jersey City, N. J., favoring tariff reduction in Schedule N, paragraph 473, leads not in wood; to the Committee on Ways and Means.

Also, memorial of sundry citizens of California, favoring an appropriation for the construction of a Millennial Dawn Temple in California in 1915; to the Committee on Appropriations.

Also, petition of the Bronze Powder Works Co., of Elizabeth, N. J., and George Benda, of New York, against the reduction of the duty on bronze powder; to the Committee on Ways and Means.

By Mr. STEPHENS of California: Petition of Paul Rieger & Co., of San Francisco, Cal., against the reduction of the duty on perfume materials; to the Committee on Ways and Means.

Also, petition of Field & Cramer, of San Francisco, Cal., against making proceeds of life insurance policies paid upon death of person insured income and liable to tax; to the Committee on Ways and Means.

Also, petition of M. A. Newmark & Co., of Los Angeles, Cal., against the tariff on oats and letting in the manufactured article free; to the Committee on Ways and Means.

Also, petition of the San Francisco Labor Council, of San Francisco, against the proposed reduction of salaries of custom-house employees of the port of San Francisco, Cal.; to the Committee on Ways and Means.

By Mr. WALLIN: Petition of sundry residents of the thirteenth congressional district of New York, protesting against the proposed income tax on mutual life insurance companies; to the Committee on Ways and Means.

SENATE.

THURSDAY, *April 24, 1913.*

The Senate met at 2 o'clock p. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D.

The Journal of the proceedings of Monday last was read and approved.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a schedule of papers, documents, and so forth, on the files of the Interior Department, which are not needed in the transaction of public business and have no permanent value or historical interest. The communication and accompanying papers will be referred to the Joint Committee on the Disposition of Useless Papers in the Executive Departments. The Chair appoints as the committee on the part of the Senate the Senator from Vermont [Mr. PAGE] and the Senator from Oregon [Mr. LANE]. The Secretary will notify the House of Representatives of the appointment of the committee on the part of the Senate.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate.

H. R. 1917. An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914;

H. R. 2441. An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1914, and for other purposes;

H. R. 2973. An act making appropriations for certain expenses incident to the first session of the Sixty-third Congress, and for other purposes; and

H. J. Res. 62. Joint resolution making an appropriation for defraying the expenses of the committees of the Senate and House of Representatives authorized to attend and represent the Senate and House at the unveiling and dedication of the memorial to Thomas Jefferson at St. Louis, Mo.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Appropriations:

H. R. 2441. An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1914, and for other purposes; and

H. R. 2973. An act making appropriations for certain expenses incident to the first session of the Sixty-third Congress, and for other purposes.

H. R. 1917. An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914, was read twice by its title and referred to the Committee on Indian Affairs.

THE JEFFERSON MEMORIAL COMMITTEE.

The joint resolution (H. J. Res. 62) making an appropriation for defraying the expenses of the committees of the Senate and House of Representatives authorized to attend and represent the Senate and House at the unveiling and dedication of the memorial to Thomas Jefferson at St. Louis, Mo., was read the first time by its title.

Mr. STONE. Mr. President, I rise to make a request for unanimous consent to take up at this point this joint resolution, appropriating $2,500, $1,000 to be expended on behalf of the Senate and $1,500 on behalf of the House, to pay the expenses of the committees appointed by the Senate and House to attend and participate in the ceremonies incident to the dedica-

tion of the splendid memorial structure erected in St. Louis to the memory of Thomas Jefferson.

The ceremonies are to take place on the 30th of this month, and if the House joint resolution making the appropriation is to be acted upon and the sum to become available it should be acted upon by the Senate to-day.

I hope there will be no objection to the consideration of the joint resolution. I make that request, Mr. President.

The VICE PRESIDENT. The Senator from Missouri asks unanimous consent for the present consideration of the joint resolution, which will be read at length.

The joint resolution was read the second time at length, as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the following sum:

For defraying the expenses of the members of the committees of the Senate and House of Representatives authorized to attend and represent the Senate and House at the unveiling and dedication of the memorial to Thomas Jefferson at St. Louis, Mo., on April 30, 1913, $2,500, or so much thereof as may be necessary, of which sum $1,000 shall be accredited to the Senate, to be expended under the direction and by the order of the Sergeant at Arms of the Senate, and $1,500 accredited to the account of and expended under the direction and by the order of the Sergeant at Arms of the House of Representatives, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate, and by the Committee on Accounts of the House, respectively.

Mr. SMOOT. Mr. President, I am not going to object to the immediate consideration of the joint resolution. I merely wish to state that I would not care to have it understood that this is to be pointed to as a precedent, and that bills and resolutions coming from the House will be acted upon without reference to the appropriate committees.

Mr. STONE. I think they ought not to be.

Mr. SMOOT. That is all I desire to say.

Mr. STONE. The exigency in this case is peculiar.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. GALLINGER subsequently said: Some time ago I was appointed a member of the committee to attend the Jefferson memorial exercises at St. Louis on the 30th of this month. I find it will be utterly impossible for me to leave at that time, I therefore ask to be excused from service on the committee, and that the Senator from Vermont [Mr. PAGE] be substituted as a member of the committee.

The VICE PRESIDENT. The Senate has heard the request. Without objection, it will be so ordered.

Mr. BACON. Mr. President, I should like to say just a word on the same matter in regard to which the Senator from New Hampshire has addressed the Senate. I am in the same position as that stated by the Senator from New Hampshire for himself. I was appointed, and I find it impossible to go. I can not leave the business which I have here; and I desire to resign the appointment, and to have some one else appointed in my place. I am not prepared to say whom it will be, but I will bring the matter to the attention of the Chair a little later.

Mr. NELSON. Mr. President, I was one of the Senators designated to go to St. Louis. I find that I can not very well serve upon the committee. I therefore ask to be excused, and that the President of the Senate appoint some other Senator in my place.

The VICE PRESIDENT. The Chair appoints the Senator from Washington [Mr. JONES] to serve as a member of the Jefferson memorial committee in place of the Senator from Georgia [Mr. BACON], who was relieved at his own request.

The Chair also appoints the Senator from Iowa [Mr. KENYON] to serve on the Jefferson memorial committee in place of the Senator from Minnesota [Mr. NELSON], who has been excused from service on that committee.

Mr. STONE, at his own request, was excused from further service on the Jefferson memorial committee, and Mr. HUGHES was appointed in his place.

Mr. ROOT, at his own request, was excused from further service on the Jefferson memorial committee, and Mr. ASHURST was appointed in his place.

Subsequently Mr. ASHURST, on his own request, was excused from service on the Jefferson memorial committee.

PETITIONS AND MEMORIALS.

Mr. NEWLANDS presented a memorial of the Elko County Cattle Association, of Nevada, remonstrating against placing meat and wool on the free list, which was referred to the Committee on Finance.

Mr. WORKS. I present the memorial of James Leonard, of Monrovia, Cal., relative to the duty on citrus fruits. I ask that the memorial be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the memorial was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

MONROVIA, CAL.

As a general proposition, it will be conceded that the final and highest development of agriculture means the utilization of land for the crops which it is best adapted to produce. A beneficent autocratic power possessed of a comprehensive knowledge of world agricultural resources and a like inclusive grasp of industrial and transportation factors could so direct operations as to maintain an average of prices, equitable to consumers and agrarians, and could minimize reduplication of labor and eliminate wasteful periodic overproduction on the one hand and periodic scarcity on the other. Such a culmination of the growing recognition of social unity lies very far in the future, but a step in that direction was taken when David Lubin, a former Californian, founded the bureau of world crop reports under the auspices of the Italian Government.

With modifications incident to climate, territorial extent, and culture status, the same general proposition that land areas should be devoted to purposes for which they are especially qualified by inherent characteristics holds good with national divisions.

An import duty acting to create monopoly or entailing excessive cost of farm commodities to consumers would be a rank injustice and an inciting cause to social disturbance, the more so since its action would be insidious and the ultimate effect difficult to trace back to the motive cause.

An import duty functioned merely to establish a domestic agricultural industry is simply a temporary offset against the handicap of a similar foreign industry, fully matured, and as concerns any country of the Old World compared with the United States, operating under the different social conditions of denser populations. The basic justification of such an impost would be the probable resultant establishment of a domestic industry warranted by natural attributes and by home-market demands and which would hold rational promise of permanent adequate development.

If justified by fact as well as by theory, the more obvious effects of such an impost would be:

1. To preserve equilibrium of production by differentiating land areas according to capabilities and thus tend to equalize through long periods average returns for all farm produce.

2. To furnish consumers the particular product affected at a cost at least as low as that of the foreign article and to fully and equitably supply the domestic markets.

Judging the citrus tariff by the above conditions, we find, first, that it is not prohibitive. It hardly compensates for the difference in labor cost of production between domestic and imported fruit. Mediterranean growers still possess the immense advantage of a fully developed industry, cheaper freight rates of steamer shipments, and the practical subsidization of the industry resulting from the Italian Government's support of the manufacture of citrate of lime. The tariffs, therefore, do not debar Mediterranean growers from competing in United States markets on favorable terms, so far as concerns the ultimate cost of placing the orchard product before the consumer. This being a demonstrated fact, the question arises, How have the tariffs conduced to foster domestic citrus culture?

The answer, in general terms, is that they effect all that the American growers ask, namely, such a balancing of productive costs as will enable them through their superior talents for organization and better fruit to meet foreign competitors on fairly even terms in the home markets. Specifically the tariffs have minimized the importation of inferior fruit. Grades that would have been shipped on speculation to an open market, and which could have been put on the eastern seaboard at a figure less than the bare cost of production of domestic fruit, did not warrant risk in a protected market. In a word, the tariffs removed the American markets from the list of dumping grounds for the periodic surplusage of the Mediterranean crop. A market stability followed which encouraged American growers to extend their planting. Prices no longer fluctuated between absurd extremes, because the imposts acted in restraint of import gambling.

Taking up the specialization of land as the second justification for the citrus tariffs, we find that in California alone there are approximately 100,000 acres bearing groves owned by 12,000 orchardists. In years of normal weather conditions the yield will approach 40,000 carloads and is estimated to reach 75,000 carloads in the next decade. The annual freight revenues resulting to the benefit of thousands of stockholders and several hundred thousand railroad employees and dependants approximate $20,000,000. Land in citrus culture is permanently removed from competition with every other agricultural industry in this country. Without the tariffs most of this land would have been devoted to products competing with those of the Southern, Middle Western, and Eastern States. Because of the imposts which encourage citrus planting the farmer of the Middle West has received more for his grain than he otherwise would, the southern farmer more for his staples and the eastern farmer more for his. In addition, railroads and their multifarious interests have benefited by the best paying freight traffic of anything like equal volume in the world. Interstate commerce as a whole has benefited because the citrus freight revenues became of such magnitude as to promote the reduction of other freight rates. Here again the mid-western and southern producer has benefited.

Taking up the low cost to consumer as the third justification for the citrus tariffs, we find:

1. The average retail price has been as low, if not lower, than before the present tariff enactment. To properly estimate the significance of this fact it must be remembered that the retail prices of all commodities, taken as a whole, have increased in the United States during this period about 60 per cent and throughout the world about 30 per cent owing to the decreased purchasing power of gold.

2. With regard to the adequacy of the domestic citrus supply, there has resulted a year round equitable distribution to all sections never paralleled under the régime of the importers. As fruit is an essential part of a rational dietary and conducive to the general health, the importance of this perennial and even distribution merits consideration.

Recapitulating citrus tariff effects:

1. Specialization of land, removing great areas from competition with other sections.

2. Relatively cheaper fruit to consumers by about 30 per cent, and this in spite of the fact that the orchardists' labor and material expense has increased about 35 per cent.

3. A pronounced and far-reaching effect on freight rates, which has directly benefited stock, wheat, cotton, and general-produce shippers. Under the Interstate Commerce Commission railroad rates are made to bear a close relation to total traffic volume and total revenues. A reduction of citrus tariffs which would act to permanently check the ex-

pansion of an industry so productive of freight revenues as the citrus industry, must logically act to increase rates on other commodities to make up the difference.

While citrus tariffs have acted to benefit all agricultural interests and the public in general, they have not fostered monopoly. The area in the Southwest suitable for citrus culture is too vast to permit monopoly. In addition to the existent acreage of young and bearing groves, there are approximately 200,000 in California alone which are suitable for citrus culture. With conditions favoring market stability—and that implies an adequate tariff—domestic production for generations to come will be in excess of demand, with a constant tendency toward lower retail prices.

Returns: Considering the investment and constant risk, orchard returns will not average more than those of other lines of agriculture. The initial cost of putting citrus land under irrigation and preparing it for trees makes $500 per acre a reasonable valuation. In some sections cheaper land is available, but invariably there are offsets, such as distance from transportation lines, lack of handling and packing facilities, etc. A valuation of $1,000 per acre for a 6-year-old grove is a conservative total of the grower's actual investment and does not include his risk.

Growers' risk: The risk from orchard menaces are constant and arise from many causes, any one of which may effect widespread injury and loss. Sometimes a tree disease affecting bark or roots will sweep through a great territory entailing heavy loss. Again, some parisitic pest may threaten the whole industry with disaster. For instance, three years ago the discovery of a pest in one section of this State caused all the groves and all other feeding trees for the pest to be cut back to the bare trunk, entailing at least a three years' loss of crop. During the past two years the unprecedented cold has caused enormous loss. It is doubtful if citrus growers as a body have received enough during these two years to meet cultural expenses. This Duarte-Monrovia district, though small, is considered one of the very best, and has been regarded as practically immune from frosts. In the past two seasons the frost damage in this small foothill district will fall but little short of $1,000,000. Scores of growers have received no income at all from their orchards, and most other sections were much more severely injured than this. It is improbable that such extreme cold will occur again in many years. Still there is the chance that it will, and to cope with the possible emergency orchardists are installing heating apparatus at a cost of from $100 to $200 per acre.

Panama Canal: The advantage of the Panama Canal is frequently urged as compensation for a reduced tariff. That has yet to be demonstrated. It is now estimated that about 25 per cent of the California citrus crop will be shipped through the canal. Inland waterways do not complement the canal and are, in fact, in a shameful state of unpreparedness and inefficiency. About the only advantage from the canal discernable at present will be cheaper rates to the eastern seaboard for one-quarter of the California citrus yield and one-half of the crop is marketed west of Chicago.

Market security: Remove the sense of security arising from the tariff offset against cheaper production and cheaper shipment of Mediterranean fruit—which feeling of security induced citrus orchardists to expand the industry—and there will be no such increased production as will eventually restore to transcontinental carriers the freight volume diverted to the Panama Canal.

Effect of reduced citrus tariffs on freight rates: Owing to increasing expense of operation and maintenance, not a few railroad lines are hard pressed to meet fixed charges and provide for necessary betterments. The decreasing value of gold has a cumulative force with railroads. On the one hand shippers are fighting through the Interstate Commerce Commission for lower rates, and on the other labor unions demand and receive higher wages. Largely for a like reason supply companies demand and get higher prices for materials. If so large a revenue is permanently diverted from transcontinental carriers as the Panama Canal seems likely to accomplish eventually, and an inadequate citrus tariff tends to discourage such an extension of the citrus industry as looks toward a restoration of the freight volume through increased midland shipments, there must inevitably result a rise in short-haul freight rates over a vast inland section which can least afford it. The same argument is applicable to the tariffs on other Pacific coast fruits.

Disturbance of agricultural equilibrium: In earlier stages of national development it was impossible, even had there been a desire, to view agricultural resources as an entity. The result has been that whenever a new section was settled older sections have stagnated, often retrograded, until the compensation of a denser local population restored equilibrium by augmenting the home markets. The abandoned farms of New England attest this. The Middle Atlantic States are dotted with abandoned grain mills, which were driven out of business when the great western wheat lands were opened and eastern farmers could buy flour cheaper than they could produce it. Eastern stock farming became moribund when the droves of the western range found access to markets. In many sections hop farming languished and then died when the hop fields of the Pacific coast were developed. It has required decades—if it is even yet accomplished—to restore the agricultural balance. While the disturbance of conditions cited above were the unforeseen and probably unforeseeable results of bringing new areas into competition with sections originally developed from an insulated viewpoint and low horizons, practically the same effect would be produced by diverting the energies of an old settled territory into new channels. Since mortals are not prescient, these industrial readjustments are bound to occur; but it would seem that we were too intelligent a people to invite them needlessly and profitlessly. California is adapted by soil and climate to the production of fruit on an enormous scale, but the same soil and climate will produce an almost infinite variety of other crops. Horticulture requires a very heavy initial investment and the financial ability to wait years before reaping any returns. Furthermore, the California orchardist knows that in any event he must battle for his markets with the peasant fruit grower of the Mediterranean, the age of whose groves is reckoned by generations, and who has back of him his Government, the steamship companies, and the aggressive organization of importers, who, with few exceptions, are his countrymen. Take from the Californian the insurance of tariffs, which, while steadying the markets, are yet not prohibitive, and he will turn to products requiring smaller investments, involving less risk, and yielding quicker returns. Whatever else it may accomplish, it now appears almost certain that the Isthmian Canal will open the way for through steamship immigration to the Pacific coast States. The resultant greater working population will render possible the profitable cultivation of many crops now debarred by scarcity of labor. By the very nature of environing conditions the intending orchardist will, perforce, turn to southern staples, with the large probability of repeating some oft-repeated history. In this connection it is well to remember that the tariff reductions proposed affect the character of the future development of an enormous area in addition to the citrus lands.

Lemons: In the matter of lemon culture it is difficult to put into definite, coherent form the many causes which have militated against its proportionate development. A general and fairly adequate statement is that "orchardists have been learning their business for 20 years and only recently have mastered it." It has been necessary to compass through experience the whole industry from start to finish. Orchardists did not have the benefit of generations of familiarity with their undertaking. Naturally they underestimated its difficulties and were long in grasping its problems.

In tabulating my personal experience during 15 years I find:

1. A large proportion of the lemons first planted were of inferior varieties, many seedlings, etc. The fruit was rough, coarse, cured unevenly, and was of poor keeping quality. When this fact was apprehended, orchardists at once began to cut back their trees and bud them to approved varieties. Years were necessary to do this. Not all growers rebudded at the same time. It followed that grades were uneven. Splendid fruit might, in fact did, preponderate in later shipments, but during a long period there was a percentage of inferior fruit marketed.

2. In the beginning it was the usual practice for an orchardist to plant, say, four-fifths of his acreage to oranges and the balance to lemons. It proved a very unfortunate start. Oranges ripened and were shipped in bulk and returns received almost en bloc. Lemons ripened when the orchardist was busy irrigating or cultivating his major crop, and lemon picking was often irregular and hasty. Lemons required more care than oranges and returns dribbled in through a long season. The combination grower frequently came to look upon his lemons as the unremunerative source of trouble. He did not know how to prune and did not appreciate its value. He was a long time learning. He began in the belief that there was little difference between lemon and orange cultivation and was slow to see that his methods were at fault. Under the pressure of orange work, the smaller lemon orchard was slighted. Picking was done at odd times and too little attention paid to "sizing." The American grower was very careless in his handling methods and only after many costly lessons learned that a bruised lemon is a spoiled lemon. Also, that approved varieties picked at standard sizes will cure evenly to standard shipping sizes. When markets were poor he was prone to let his crop hang on the trees; when the markets improved he picked the trees bare and packed a most ridiculous assortment of sizes. Also, tree-cured lemons are inferior in acid content and in keeping quality.

3. In the methods of curing his product the American grower was as innocent of knowledge as in his cultural and field-handling methods. Old-style curing houses, built at great expense, were made dark and with little or no ventilation. He has learned differently, but he has paid the price.

4. In addition to faulty cultural, handling, and curing methods there was a further difficulty in shipping. In nine out of every ten citrus districts lemon culture was subordinate to orange culture. There were relatively few lemon groves of any considerable area. Very frequently it resulted that when lemon shipments were made there were not enough for, say, two cars, but more than enough for one. One carload would be shipped, and the balance held until another carload could be made up. Often a considerable time elapsed before sufficient fruit was received at the packing house to permit this, in which case the lemons that were prime when the first shipment was made had retrograded when the second carload was sent out. Or, as was often the case, the short load of good lemons was eked out with insufficiently cured fruit. In earlier years orange shipping, except Valencias, was finished when the lemon season was at it height, but it sometimes happened that the short car of lemons was pieced out with oranges and sent to an orange market.

Unless one has been familiar with the above-described factors, acting all through the lemon sections, it is almost impossible to measure their total effect, which was to discourage planting. The major handicap was complete ignorance of proper cultural, handling, and curing methods. In smaller districts, where the old practice of planting a portion of the orchard to lemons still obtains, it has been found expedient to so differentiate cooperative packing-house handling that one scientifically equipped house handles the output of several adjacent districts. This has been found best even where the hauling distance is considerable. Thus the La Manda Park house handles all the lemons—excepting two large groves, which ship independently—between Pasadena and Azusa. At San Dimas another modernly equipped house serves a like territory. Thus there are no longer the tag ends of shipments to hold over for the next car.

Besides the handicap of apprenticeship lemon growers have had from the first to contend with the hostility of the well-organized importers. When the McKinley bill was under consideration the country was flooded with pamphlets asserting that California lemons were deficient in acid content as compared with Mediterranean fruit. Agricultural Department chemists proved the contrary to be true, but the false claim had its effect. Opposition in many forms originating from the same source has made itself felt through the years. To-day the California lemon grower has mastered his business, and, if properly encouraged to utilize his costly experience, will give his home markets better lemons than the importers, at lower prices and in abundant supply, throughout the year.

JAMES LEONARD.

Mr. WORKS. I present a telegram, in the nature of a joint resolution adopted by the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Irrigation and Reclamation of Arid Lands.

There being no objection, the telegram was referred to the Committee on Irrigation and Reclamation of Arid Lands and ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *April 23, 1913.*

JOHN D. WORKS,
United States Senate, Washington, D. C.

DEAR SIR: Pursuant to the provisions of a senate joint resolution adopted by both houses of the Legislature of the State of California I herewith transmit to you a copy thereof.

Senate joint resolution No. 24, relating to the preservation of the natural conditions of Lake Tahoe and of establishing by judicial decree the conflicting claims to the use of the flood waters thereof.

Whereas Lake Tahoe, on account of its great natural beauty, is regarded as a valuable asset of the State of California by the citizens thereof, and many of such citizens have acquired vested interests on the shores of such lake; and

Whereas the State claims title to the major portion of the flood waters of such lake, which waters it hopes and expects in the near future to utilize for the purpose of generating power and of irrigating lands within its border, and for the domestic uses of its citizens; and

Whereas it has become the declared intention of the Reclamation Service of the United States to convert the lake into a reservoir for an irrigation system in the State of Nevada, and to that end to artificially lower the natural rim of the lake and to widen the outlet channel of the same, thereby making it possible to draw from such lake more water than can be supplied by its average natural rise of 2½ feet per annum; and

Whereas the plans of the Reclamation Service, if carried into effect, will infringe upon the vested legal rights of the State of California and its citizens, to their irreparable damage: Now, therefore, be it

Resolved by the senate and assembly jointly, That the Legislature of the State of California does hereby protest against any interference on the part of the Federal Government or its agents with the natural conditions of Lake Tahoe; and be it further

Resolved, That the President of the United States be, and he is hereby, respectfully requested to cause legal proceedings to be instituted in some court of competent jurisdiction in order to determine the respective rights of all persons claiming title to the flood waters of Lake Tahoe, and particularly to determine the rights of the United States of America, the State of Nevada, the State of California, and the Truckee General Electric Co.; and be it further

Resolved, That the attorney general of the State of California be, and he is hereby, respectfully requested to institute and prosecute as speedily as possible any action in the Supreme Court of the United States on behalf of the State of California and against the State of Nevada and such other claimants to the use of the waters of Lake Tahoe as may be properly joined as parties, in order to determine the respective rights of such parties to the use of such waters; and be it further

Resolved, That a copy of these resolutions be forwarded to the President of the United States, to the Secretary of the Interior of the United States, to the United States Reclamation Service, and to each member of the United States Senate and House of Representatives.

Respectfully, yours,

W. N. PARRISH,
Secretary of Senate.

Mr. WORKS. I present a telegram, in the nature of a joint resolution adopted by the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Irrigation and Reclamation of Arid Lands.

There being no objection, the telegram was referred to the Committee on Irrigation and Reclamation of Arid Lands and ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *April 23, 1913.*

Hon. JOHN D. WORKS,
United States Senate, Washington, D. C.

DEAR SIR: Pursuant to the provisions of a senate joint resolution adopted by both houses of the Legislature of the State of California, I herewith transmit to you a copy thereof.

Senate joint resolution 1, relative to the continuation by the United States of surveys for the construction of storage reservoirs for the impounding of flood waters in the Sierra Nevada Mountains in the State of California, and asking that an appropriation be made for forwarding the work as speedily as possible.

Whereas the United States Government has for several years past been securing data, through the Geological Survey and the Reclamation Service, concerning the watershed of the west slope of the Sierra Nevada Mountains and the construction of storage reservoirs for the conservation of flood waters in the winter and spring; and

Whereas the Sacramento and San Joaquin Valleys, of which these watersheds form the eastern rim, constitute a large body of the most fertile land to be found in any country, rivaling the far-famed Valley of the Nile in productiveness and capable of supporting a population of several millions when properly reclaimed and settled; and

Whereas in times of heavy snowfall and rainfall the volume of water coming down into the valleys is a continual menace to the rich lands adjacent to the Sacramento and San Joaquin Rivers, thousands of acres of which are flooded in years of heavy rainfall; and

Whereas in the report of the Reclamation Service for the year 1907 the statement is made that if storage reservoirs were constructed at the sites surveyed it would greatly simplify the drainage problems of the Sacramento and San Joaquin Rivers and the lower Sacramento Valley by reducing the flood flow in the rivers; and

Whereas the flood waters so impounded would be of the greatest value to the Sacramento and San Joaquin Valleys and the State of California by being used for irrigation instead of being allowed to flow to the ocean, often doing incalculable damage to the valleys, 800,000 acres of the lowlands of which having been flooded in 1904: Therefore be it

Resolved by the senate and the assembly jointly, That the Legislature of the State of California memorializes the Congress of the United States for the continuation of said work of surveying and constructing storage reservoirs in the watersheds of the western slope of said Sierra Nevada Mountains on the tributaries of the Feather, Yuba, and American Rivers and other tributaries of the Sacramento and San Joaquin Rivers, carrying out all measures necessary for such work and making an appropriation of sufficient size to forward it as the more speedily solved; and be it further

Resolved, That the Secretary of the Interior be requested to take the necessary measures for hastening the survey and construction of such reservoirs in order to impound such flood waters and enable the problem of improvement and restraint of the Sacramento and San Joaquin Rivers to be more speedily solved; and be it further

Resolved, That our Senators in Congress be instructed and our Representatives be requested to use all honorable means to secure the action desired in this matter for the purpose aforesaid; and be it further

Resolved, That a copy of these resolutions be forwarded to the President of the United States, the Secretary of the Interior, the Secretary of Agriculture, the respective Houses in Congress, and to each of our Senators and Representatives in Congress, including those to assume office on March 4, 1913.

Respectfully, yours,

W. N. PARRISH,
Secretary of Senate.

Mr. WORKS. I present a telegram, in the nature of a joint resolution adopted by the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the telegram was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *April 23, 1913.*

Hon. JOHN D. WORKS,
United States Senate, Washington, D. C.

DEAR SIR: Pursuant to the provisions of a senate joint resolution adopted by both houses of the Legislature of the State of California, I herewith transmit to you a copy thereof.

Senate joint resolution 12, relative to action by Congress in directing an investigation through the Department of Agriculture of measures for protection of fruit from frost damage.

Whereas the great citrus belt of California has been visited by an unprecedented damaging frost involving a loss of many millions of dollars in the crop alone, as well as great damage to trees; and

Whereas great advancement has been made by both public and private experimentation in the protection of orchards all over the United States from the damaging effect of cold waves by means of heating pots and other methods of raising temperatures, the use of which has given perfect protection in some groves and has been of little benefit in others. The effect of frost damage on many fruits, particularly the citrus, is but little known and it is believed that large sums may be saved in this and other horticultural branches by a more thorough knowledge of the prevention of frost damage and the best means of determining to what extent citrus or other fruits have been rendered unfit for marketing. Large losses have been sustained which might have been prevented were more proper methods known; and

Whereas the interests of the whole country demand a thorough investigation of this question by the Department of Agriculture through the most competent experts obtainable. Such work adequately supported and ably conducted will save many millions of dollars losses to the Nation: Now, therefore, be it

Resolved, That this being a Nation-wide problem we appeal to Congress to authorize and empower the Department of Agriculture to at once take up this question and employ the ablest and most competent men to be had for carrying on this work until a thorough knowledge shall be had of this question in its bearing on all branches of horticulture; and be it

Resolved, That upon the passage of this resolution the secretary of state be, and he is hereby, directed to forward a copy thereof to the Senators and Representatives of the State of California in Congress, and that a copy of the resolution be also transmitted to the governor of each fruit-growing State in the Union, requesting them to urge legislatures now in session to consider and take action in accordance with this resolution.

Respectfully, yours,

W. N. PARRISH,
Secretary of Senate.

Mr. WORKS. I present a telegram, in the nature of a joint resolution adopted by the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the telegram was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *April 23, 1913.*

Hon. JOHN D. WORKS,
United States Senate, Washington, D. C.

DEAR SIR: Pursuant to the provisions of a senate joint resolution adopted by both houses of the Legislature of the State of California, I herewith transmit to you a copy thereof:

Senate joint resolution 25, relative to memorializing Congress regarding the citrus fruit industry of the State of California, and requesting our Senators and Representatives in Congress to use all honorable means to prevent a reduction in duties on citrus fruits below the point where the difference in the cost of production of the same would be equalized.

Whereas the citrus fruit industry is one of the great and important enterprises of this State, representing an investment of $200,000,000 and materially contributes to the upbuilding thereof; and

Whereas the rates of duty on citrus fruits should equalize the difference in cost of production between the United States and foreign countries; and

Whereas the present rates of duty bring to the Government a substantial revenue that has increased in recent years; and

Whereas a material reduction of the duties on citrus fruits would hamper and retard the growth and development of the State of California: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California jointly, That we respectfully memorialize the Congress of the United States not to reduce the duties on citrus fruits below a point equalizing the difference in the cost of production of the same in the United States and foreign countries, and we earnestly request our Senators and Representatives in Congress to use every honorable means to prevent such reduction; be it further

Resolved, That the governor of the State of California be requested to appoint five citizens of California to present this memorial to Congress in behalf of this State; and be it further

Resolved, That a copy of this resolution be telegraphed to the President and to each of our Senators and Representatives in the Congress of the United States.

Respectfully, yours,

W. N. PARRISH,
Secretary of Senate.

Mr. WORKS. I present a telegram, in the nature of a joint resolution adopted by the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Public Health and National Quarantine.

There being no objection, the telegram was referred to the Committee on Public Health and National Quarantine and ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *April 23, 1913.*

Hon. JOHN D. WORKS,
United States Senate, Washington, D. C.

DEAR SIR: Pursuant to the provisions of a senate joint resolution adopted by both houses of the Legislature of the State of California, I herewith transmit to you a copy thereof.

Senate joint resolution 26, relative to making investigations and experiments as to nature and cure of tuberculosis.

Whereas it appears that the loss of life and the suffering occasioned by the ravages of tuberculosis in its various forms in the United States are of such magnitude as to make the discovery of adequate means of eradicating that disease a matter of national concern; and

Whereas the greatest facilities, opportunities, and inducements should be afforded capable investigators with a view to discovering some practicable means for its control and cure: Therefore be it

Resolved by the Senate of California and the Assembly jointly, That we respectfully urge on the Congress of the United States the immediate enactment of such laws and an appropriation from the Treasury of the United States of such sums as may seem advisable to Congress to afford to properly trained experts adequate means and opportunities to make the most exhaustive investigations and experiments as to the nature and cure of tuberculosis and as to alleged cures therefor, and that we further urge upon the Congress of the United States an appropriation of an adequate sum to be given as a reward to the discoverer or discoverers of effective means of curing tuberculosis on satisfactory proof of the effectiveness of such discovery and on a full and complete revelation of the effective means thus employed, so that the fullest publicity may be given thereto for the general benefit of the medical profession; be it further

Resolved, That each Senator and each Representative in Congress from the State of California be, and he is hereby, requested to use all honorable means to secure the enactment of such legislation; and be it further

Resolved, That a copy of this resolution be forthwith transmitted by the chief clerk of the senate to the President of the Senate of the United States and to the Speaker of the House of Representatives of the United States and a copy hereof to each Member of Congress from the State of California.

Respectfully, yours,

W. N. PARRISH,
Secretary of Senate.

Mr. WORKS presented a petition of sundry inmates of the Soldiers' Home at Santa Monica, Cal., praying for the enactment of legislation transferring the Pacific Branch of the Soldiers' Home to the War Department, which was referred to the Committee on Military Affairs.

He also presented a memorial of the Chamber of Commerce of Los Angeles, Cal., remonstrating against the submission to arbitration of the question of exempting American coastwise shipping passing through the Panama Canal from the payment of tolls, which was referred to the Committee on Interoceanic Canals.

Mr. JOHNSON of Maine. I have received memorials from Henry S. Burrage, late chaplain Western Branch, National Home for Disabled Volunteer Soldiers, of Cambridge, Mass.; from Joseph S. Smith, manager, National Soldiers' Home of Bangor, Me.; from Maj. William Warner, manager, National Home for Disabled Volunteer Soldiers, of Washington, D. C.; from the Board of Managers of the National Soldiers' Home; and from Col. Edwin P. Hammond, manager, National Home for Disabled Volunteer Soldiers, of La Fayette, Ind., remonstrating against reducing the number of the Board of Managers of the National Home for Disabled Volunteer Soldiers to five. I move that the memorials be referred to the Committee on Appropriations.

The motion was agreed to.

Mr. SMITH of Arizona. I present a joint memorial of the Legislature of Arizona, which I ask may be printed in the RECORD and referred to the Committee on the Library.

There being no objection, the memorial was referred to the Committee on the Library and ordered to be printed in the RECORD, as follows:

House joint memorial 1.

To the Senate and House of Representatives of the Congress of the United States of America in Congress assembled:

Your memorialists, the First Legislature of Arizona, in special session convened, respectfully represent:

That the title and possession of Monticello, the home place of Thomas Jefferson, is vested in Mr. LEVY, a private citizen of the State of New York, and the place is now practically in a state of ruin and decay;

That the title to the grave of Jefferson, wherein lie the remains of the author of the Declaration of American Independence and those of his beloved wife, and which grave is embraced within a space about 100 feet square of the grounds of Monticello, is vested in the descendants of Jefferson;

That access to the grave of Jefferson is open to his descendants but not to the general public, except upon the payment of a fee to Mr. LEVY, thus commercializing one of the most sacred spots in America; but no admission to the house of this great apostle of humanity is allowed to any person;

Now, therefore, it is peculiarly appropriate that this place should not be in private ownership, and it is peculiarly appropriate that Monticello, the home in life as it is the home in death of this great American, should be the common heritage of the people of this country.

It is especially fitting now for the people of the United States to obtain this hallowed place that they may keep and beautify and adorn it as a shrine to which every lover of liberty may go at will to pay his tribute of respect: Therefore be it

Resolved by the Senate and the House of Representatives of the Legislature of the State of Arizona, That the Congress of the United States be, and it is hereby, urged to enact such legislation as may be necessary to vest in the United States the title and possession to the home and grave of Thomas Jefferson; and

Resolved further, That a copy of this memorial and these resolutions be forwarded to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to the Representatives of Arizona in Congress; and that our Representatives in Congress be, and they are hereby, requested to do all in their power to accomplish the enactment of such legislation.

MARCH 22, 1913.

Read the third time in full and passed by the following vote: 29 ayes, 3 nays, 1 absent, 2 excused.

H. H. LINNEY,
Speaker of the House.

Passed the senate April 7, 1913, by a vote of 17 ayes, 2 excused.

M. G. CUNNIFF,
President of the Senate.

Mr. HOLLIS presented petitions of sundry citizens of Hanover, Exeter, Concord, and Manchester, all in the State of New Hampshire, praying for the submission to arbitration of the question exempting American coastwise shipping from the payment of tolls through the Panama Canal, which were referred to the Committee on Interoceanic Canals.

Mr. MARTINE of New Jersey presented a petition of the Pennsylvania Millers' State Association, praying that if a duty be placed on grain an equalizing duty be placed on the products of grain, etc., which was referred to the Committee on Finance.

Mr. PERKINS. I present a telegram, in the nature of a joint resolution adopted by the Legislature of California, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the telegram was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

SACRAMENTO, CAL., *April 22, 1913.*

Hon. GEORGE C. PERKINS,
Senate Chamber, Washington, D. C.:

I have the honor to hand you herewith copy of assembly joint resolution No. 18, adopted by senate and assembly and approved by the governor:

APRIL 18, 1913.

To the Governor:

Assembly joint resolution 18, relative to the protection of the California beet-sugar industry in the enactment by Congress of laws affecting tariffs on imports into the United States.

Whereas in the process of tariff revision by Congress the indicated tendency is toward an abolition of all duties on imported sugar; and

Whereas such a policy would be calamitous to the cane and beet-sugar industry of the Nation at large, and especially to the beet-sugar business of the State of California, which produces 165,000 tons per annum, or one-quarter of the beet-sugar output of the United States; and

Whereas the annual consumption of sugar in our country is now 3,500,000 tons per annum, supplied, viz, from domestic cane grown in Porto Rico, Louisiana, and Sandwich Islands, 1,100,000 tons; from beet sugar manufactured in 16 States, 650,000 tons; 1,750,000 tons, the balance, being purchased from foreign countries and refined by a few corporations on the Atlantic seaboard, who are clamoring for "free sugar" in order that they may check the further invasion of their markets by the constantly growing beet-sugar industry; and

Whereas our Nation's beet-sugar output has increased from 40,000 tons in 1897 to 650,000 tons in 1912—a rate of increase greater than can be shown in any country in Europe during an equal period of time—while our cane-producing districts have apparently reached the limit of their productivity; and

Whereas this country should, and can, become self-supplying in the matter of sugar through the development of the beet-sugar industry, now involving the use of only 450,000 acres of land against 274,000,000 acres adapted to the cultivation of the sugar beet; and

Whereas the development of the industry is checked by the menace of a free-sugar bill, which will subject this product to competition with cane and beet sugar produced under the low-wage conditions in the Tropics and Europe, and at prices delivered at our seaboards lower than, under our conditions, is paid to the farmers of our State for the sugar in the beet before it is manufactured: Now, therefore,

Resolved, That the Legislature of the State of California (a majority of all members elected to senate and assembly voting for the adoption of this resolution and concurring therein) requests the Senate and House of Representatives of Congress at Washington and the President of the United States that due regard be had, in the consideration of tariff revision, for the claims of the beet-sugar industry, which is so full of promise to our Nation, and that the principle governing the revision of the tariff in this regard be that the tariff should equalize the difference between the cost of production of sugar at home and abroad.

Resolved, That a copy of these resolutions be forwarded to each of the Members of Congress from the State of California, to be presented to the President and Congress.

L. B. MALLORY,
Chief Clerk of Assembly.

Mr. PERKINS presented a telegram, in the nature of a joint resolution adopted by the Legislature of California, remonstrating against an undue reduction of the duty on citrus fruits, which was referred to the Committee on Finance.

He also presented a telegram, in the nature of a joint resolution adopted by the Legislature of California, praying that an appropriation be made for the study of tuberculosis and the

alleged cures thereof, which was referred to the Committee on Public Health and National Quarantine.

He also presented a telegram, in the nature of a joint resolution adopted by the Legislature of California, praying that an investigation be made to prevent damage to crops by frost, which was referred to the Committee on Agriculture and Forestry.

He also presented a telegram, in the nature of a joint resolution adopted by the Legislature of California, remonstrating against any interference by the Government with the natural conditions of Lake Tahoe, Cal., which was referred to the Committee on Irrigation and Reclamation of Arid Lands.

He also presented a telegram, in the nature of a joint resolution adopted by the Legislature of California, praying for the construction of storage reservoirs to impound the flood waters of the Sacramento and San Joaquin Rivers, in that State, which was referred to the Committee on Irrigation and Reclamation of Arid Lands.

Mr. GALLINGER presented a petition of sundry citizens of Concord, N. H., and a petition of sundry citizens of Nashua, N. H., praying for the repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls, which were referred to the Committee on Interoceanic Canals.

Mr. BURTON presented a resolution of members of the Woman's Franchise League of Bellefontaine, Ohio, favoring the adoption of an amendment to the Constitution granting the right of suffrage to women, which was referred to the Committee on Woman Suffrage.

Mr. SMITH of Maryland presented a petition of members of the Park View Citizens' Association of the District of Columbia, praying for the enactment of legislation limiting the issuing of permits for the erection within the fire limits of dwellings of less than 16 feet frontage, which was referred to the Committee on the District of Columbia.

Mr. LODGE presented petitions of W. H. Whiting and 117 other citizens of Barre, Charlton, Leicester, New Salem, Petersham, Princeton, and Spencer; of Norman S. Waite and 20 other citizens of Allston; of Charles H. Stearns and 38 other citizens of Brookline; of Frederick W. Mowatt and 20 other citizens of Lynn; of William C. Buck and 60 other citizens of Reading; of 51 citizens of East Douglas, Grafton, and North Uxbridge; and of the congregation of the Universalist Church of Beverly, all in the State of Massachusetts, praying for the repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls, which were referred to the Committee on Interoceanic Canals.

Mr. McLEAN presented the memorial of James T. Fitton, of Rockville, Conn., remonstrating against the adoption of the proposed income-tax amendment to the pending tariff bill, which was referred to the Committee on Finance.

Mr. KENYON presented petitions of sundry citizens of Blackhawk and Ringgold Counties, in the State of Iowa, praying for an adjustment of the pay of railway mail clerks on account of the conditions brought about by the parcel-post law, which were referred to the Committee on Post Offices and Post Roads.

Mr. PAGE presented a petition of Local Union No. 43, Pulp, Sulphite, and Paper Mill Workers, of Bellows Falls, Vt., remonstrating against the passage of the pending tariff bill, which was referred to the Committee on Finance.

Mr. GALLINGER. I present a telegram relating to a feature of the proposed tariff law, which I ask may be read and referred to the Committee on Finance.

There being no objection, the telegram was read and referred to the Committee on Finance, as follows:

NEW YORK, N. Y., *April 23, 1913.*

Hon. JACOB H. GALLINGER,
Washington, D. C.:

Representatives of workmen affiliated with lithographic labor organizations, consisting of pressmen, transferers, engravers, artists, press feeders, stone grainers, and paper cutters, request a hearing before your committee on the proposed Underwood tariff bill. Trade much disturbed. Our representatives are opposed to radical reduction in the tariff incorporated in the Underwood bill. We represent 50,000 workmen.

W. E. COAKLEY,
Representative, 200 East Twenty-third Street, New York, N. Y.

JACOB M. COOPER.

Mr. KENYON, from the Committee on Military Affairs, to which was referred the bill (S. 754) for the relief of Jacob M. Cooper, reported it without amendment and submitted a report (No. 12) thereon.

AGRICULTURAL CREDIT AND LIVE-STOCK INSURANCE.

Mr. FLETCHER, from the Committee on Printing, to which was referred Senate resolution 52, submitted by himself on the 17th instant, reported it without amendment, submitted a report (No. 14) thereon, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the report to the British Board of Agriculture and Fisheries of an inquiry into agricultural credit and agricultural cooperation in Germany, with some notes on German live-stock insurance, by J. R. Cahill, which was presented to both Houses of Parliament of Great Britain, be printed as a Senate document, together with the accompanying illustrations and letter.

SOIL SURVEY OF ESCAMBIA COUNTY, FLA.

Mr. FLETCHER, from the Committee on Printing, to which was referred Senate resolution 46, submitted by Mr. BRYAN on the 15th instant, reported it without amendment, submitted a report (No. 15) thereon, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That there shall be reprinted 1,000 additional copies of the Soil Survey of Escambia County, Fla., for the use of the Senate document room.

CONTROL OF MONEY AND CREDIT.

Mr. FLETCHER. From the Committee on Printing, to which was referred Senate resolution No. 16, providing for the printing of 10,000 copies of the report of the Money Trust investigation, I report back a concurrent resolution, and I submit a report (No. 16) thereon. I ask unanimous consent for the present consideration of the resolution. There is quite a demand for this report.

The concurrent resolution (S. Con. Res. 1) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 6,000 additional copies of House Report No. 1593, Sixty-second Congress, on the "Concentration of control of money and credit," of which 2,000 copies shall be for the use of the Senate document room and 4,000 copies for the use of the House document room.

AMENDMENT OF THE RULES.

Mr. OVERMAN. I report from the Committee on Rules an amendment to Rule XII and ask that it be read, printed, and go over one day (S. Res. 64).

The VICE PRESIDENT. The Senator from North Carolina, from the Committee on Rules, submits a report, which he asks be read. The Secretary will read as requested.

The Secretary read as follows:

Resolved, That Rule XII be amended as follows:

"3. Immediately after and before the result of each roll call is ascertained and announced the Clerk shall call the names of the absentees."

The VICE PRESIDENT. The resolution will lie over one day under the rule.

REPORT OF PARK COMMISSION (S. DOC. NO. 16).

Mr. GALLINGER. Mr. President, on the 15th instant I submitted a document, being an abridgment of the Park Commission report of the District of Columbia, which, on my motion, was referred to the Committee on Printing for consideration. I am directed by that committee to report a resolution which I send to the desk, and for which I ask present consideration. I also submit a report (No. 17) thereon. The document to be printed accompanies the resolution.

The VICE PRESIDENT. The Senator from New Hampshire reports from the Committee on Printing a resolution and asks unanimous consent for its present consideration. The resolution will be read.

The Secretary read the resolution (S. Res. 63), as follows:

Resolved, That an abridgment of the report of the Park Commission and of the report of the Senate Committee on the District of Columbia, submitted to the Senate on January 15, 1902, be printed as a Senate document, with accompanying illustrations, and that 3,350 additional copies be printed for the use of the Senate document room.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. WILLIAMS. Reserving the right to object, I ask what is the document referred to in the resolution?

Mr. GALLINGER. It is the report of the Park Commission. Very likely the Senator from Mississippi is familiar with it. It deals with the development of the city of Washington, so far as our parks are concerned. It is quite a large volume. It has been printed several times. It has been thought desirable, inasmuch as there are many calls from all over the country for the document, that we should print an abridged edition. To print the number named in the resolution will only cost $500.

Mr. WILLIAMS. I have no objection.

The resolution was considered by unanimous consent and agreed to.

CLAIMS AGAINST MEXICO.

Mr. SMITH of Arizona, from the Committee on Foreign Relations, to which was referred Senate resolution 62, submitted by himself on the 21st instant, reported it without amendment and submitted a report (No. 13) thereon, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the President is respectfully requested, if not incompatible with the public interest, to cause to be transmitted to the Senate—

First. A full list of the names of claimants, if any, and the nature and amount of the claims for damages to person or property made by citizens of the United States of America against the Republic of Mexico and filed or deposited with the Department of State at Washington, D. C., since the beginning of the Madero revolution in Mexico to the present time, together with the statement of fact on which said claims are based.

Second. A full list of the names of all citizens of these United States, if any, who while leading lawful and peaceful lives in Mexico have been killed or wounded in Mexico or driven out of Mexico by Mexican soldiers or other armed bands on Mexican soil, together with the facts and circumstances attending such killing, wounding, or forceful deportation.

Third. A full list, if any, of such peaceful citizens of the United States of America as have been forcibly seized and held prisoners for ransom in the Republic of Mexico during the time first mentioned, and what sums of money, if any, have been paid by any person or persons to secure the release of anyone so imprisoned or held.

Fourth. What redress, if any, has been offered by Mexico in the premises, or demanded by the United States of America, and the result of such offer or demand, and what assurance of protection to the lives and property of our peaceful, law-abiding citizens in Mexico does that Republic offer.

COL. RICHARD H. WILSON.

Mr. MYERS. Mr. President, the Senator from Florida [Mr. BRYAN], the chairman of the Committee on Claims, is not present, but I see the Senator from North Carolina [Mr. OVERMAN], who is second on that committee, in his seat, and I think what I intend to propose will be agreeable to him. The bill (S. 662) for the relief of Col. Richard H. Wilson, Fourteenth Infantry, United States Army, when introduced, was referred, inadvertently, I believe, to the Committee on Claims. It does not appropriately belong to that committee, and I ask unanimous consent that the Committee on Claims be discharged from the further consideration of the bill and that it be referred to the Committee on Military Affairs.

Mr. OVERMAN. The bill properly belongs to the Committee on Military Affairs and not to the Committee on Claims.

Mr. JOHNSTON of Alabama. The bill was referred during the last session of Congress to the Committee on Military Affairs, and I think it is proper that it should go there now.

The VICE PRESIDENT. In the absence of objection, the Committee on Claims will be discharged from the further consideration of the bill, and it will be referred to the Committee on Military Affairs.

COMMITTEE ON BANKING AND CURRENCY.

Mr. OWEN. Mr. President, on the 17th of March Senate resolution No. 13, relative to the employees of the Committee on Banking and Currency, was considered, amended, and agreed to. The chairman of that committee was not then present, and I ask unanimous consent that the vote by which the resolution was agreed to be reconsidered.

Mr. WILLIAMS. What is the resolution?

Mr. OWEN. It relates to the employees of the Committee on Banking and Currency, and was reported from the committee of which, I believe, the Senator from Mississippi is chairman.

Mr. WILLIAMS. I ask, then, that the matter go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. OWEN. It has heretofore been reported by that committee.

Mr. WILLIAMS. But there was an amendment to the resolution made on the floor.

Mr. OWEN. I desire it to be reconsidered. I agree, however, that it should go to the committee.

Mr. WILLIAMS. Very well.

The VICE PRESIDENT. If there is no objection, the vote by which the resolution was agreed to will be reconsidered, and it will be recommitted to the Committee to Audit and Control the Contingent Expenses of the Senate.

AMENDMENT TO HOMESTEAD LAW.

Mr. BORAH. On April 9 I introduced a bill (S. 598) to amend an act entitled "An act to amend sections 2291 and 2297 of the Revised Statutes of the United States relating to homesteads," which I asked to lie on the table. I move that the bill be taken from the table and referred to the Committee on Public Lands.

The motion was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MYERS:

A bill (S. 1348) to allow additional entries under the enlarged homestead act; to the Committee on Public Lands.

By Mr. THOMPSON:

A bill (S. 1349) admitting to citizenship and fully naturalizing George Edward Lerrigo, of the city of Topeka, in the State of Kansas; to the Committee on Immigration.

By Mr. PITTMAN:

A bill (S. 1350) authorizing the Secretary of the Interior to designate certain tracts of land in the State of Nevada upon which continuous residence shall not be required under the homestead laws; to the Committee on Public Lands.

By Mr. SHEPPARD:

A bill (S. 1351) for the relief of Mollie Richardson, heir of Stanford Mims, deceased; to the Committee on Claims.

By Mr. JONES:

(By request.) A bill (S. 1352) to extend the time for the completion of the Alaska-Northern Railway, and for other purposes; to the Committee on Territories.

A bill (S. 1353) to authorize the board of county commissioners of Okanogan County, Wash., to construct and maintain a bridge across the Okanogan River at or near the town of Malott; to the Committee on Commerce.

A bill (S. 1354) relating to the election of United States Senators; to the Committee on the Judiciary.

A bill (S. 1355) relating to easements in connection with reclamation projects; to the Committee on Irrigation and Reclamation of Arid Lands.

By Mr. BURTON:

A bill (S. 1356) to amend section 4 of an act entitled "An act to amend an act entitled 'An act to regulate the construction of dams across navigable waters,' approved June 21, 1906," approved June 23, 1910, and to repeal said original section; to the Committee on Commerce.

By Mr. CUMMINS:

A bill (S. 1357) granting a pension to Halle W. Dale; to the Committee on Pensions.

By Mr. BRISTOW:

A bill (S. 1358) granting an increase of pension to Jefferson Hurst; to the Committee on Pensions.

By Mr. MARTINE of New Jersey:

A bill (S. 1359) to amend section 1244, Revised Statutes; and

A bill (S. 1360) granting an honorable discharge to John D. Durie; to the Committee on Military Affairs.

A bill (S. 1361) for the relief of the heirs of Marianne Sainte Ana Schrepper; to the Committee on Private Land Claims.

By Mr. CHILTON:

A bill (S. 1362) granting an increase of pension to Laura B. Hess; to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 1363) making lands within the State of Oregon that have been withdrawn or classified as oil lands subject to entry under the homestead or desert-land laws; and

A bill (S. 1364) to amend section 2322 of the Revised Statutes of the United States relating to mineral locations; to the Committee on Public Lands.

A bill (S. 1365) to appoint Brig. Gen. Thomas M. Anderson, United States Army, retired, to the grade of major general on the retired list of the Army; to the Committee on Military Affairs.

A bill (S. 1366) to adjust the claims of certain settlers in Sherman County, Oreg.; to the Committee on Claims.

By Mr. McCUMBER:

A bill (S. 1367) for the relief of the estate of Richard W. Meade, deceased;

A bill (S. 1368) for the relief of Capt. Frank B. Watson, United States Army;

A bill (S. 1369) for the relief of the Snare & Triest Co.;

A bill (S. 1370) authorizing and directing the Secretary of State to examine and settle the claim of the Wales Island Packing Co.;

A bill (S. 1371) for the relief of the heirs of Lieut. R. B. Calvert, deceased;

A bill (S. 1372) for the relief of Capt. Frederick B. Shaw; and

A bill (S. 1373) for the relief of the estate of John Stewart, deceased; to the Committee on Claims.

(By request.) A bill (S. 1374) granting an increase of pension to Stella May Dixon; to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 1375) to amend the act of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies"; to the Committee on Interstate Commerce.

By Mr. BORAH:

A bill (S. 1376) for the relief of Jacob Mull (with accompanying paper); and

A bill (S. 1377) for the relief of Alfred S. Lewis (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 1378) granting an increase of pension to William H. H. Morris (with accompanying papers);

A bill (S. 1379) granting a pension to James Heavrin (with accompanying papers);

A bill (S. 1380) granting a pension to George W. Moore (with accompanying paper);

A bill (S. 1381) granting an increase of pension to Franklin R. Simmons (with accompanying papers); and

A bill (S. 1382) granting a pension to Lulu E. Springer; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 1383) granting to the State of Utah 1,000,000 acres of public land within the State, to reimburse the State for expenses incurred in suppressing Indian disturbances from 1865 to 1868; and

A bill (S. 1384) granting to the State of Utah 1,000,000 acres of land to aid in the construction and maintenance of public roads in the State of Utah; to the Committee on Public Lands.

A bill (S. 1385) granting a pension to E. H. Maxfield, alias Hiram Maxfield;

A bill (S. 1386) granting a pension to Barbara B. Haws; and

A bill (S. 1387) granting a pension to Charles H. Hipp (with accompanying papers); to the Committee on Pensions.

By Mr. DU PONT:

A bill (S. 1388) granting a pension to Ernest Hattier (with accompanying papers); and

A bill (S. 1389) granting an increase of pension to William T. Warrington; to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 1390) granting a pension to Phoebe J. Burrows; to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 1391) granting a pension to Frances M. Trippe (with accompanying papers);

A bill (S. 1392) granting an increase of pension to Franklin Comstock (with accompanying papers); and

A bill (S. 1393) granting an increase of pension to Antoinette Platt (with accompanying papers); to the Committee on Pensions.

By Mr. WORKS:

A bill (S. 1394) granting a pension to William Irwin (with accompanying papers); to the Committee on Pensions.

By Mr. MARTIN of Virginia:

A bill (S. 1395) for the erection of a memorial on the grounds of William and Mary College, Williamsburg, Va., in honor of Hon. Peyton Randolph, first President of the Continental Congress;

A bill (S. 1396) for the erection of a monument to the memory of Matthew Fontaine Maury, of Virginia;

A bill (S. 1397) for the erection of a statue to John Marshall;

A bill (S. 1398) for the erection of a monument to the memory of Gen. William Campbell;

A bill (S. 1399) to aid in the erection of a monument to Pocahontas at Jamestown, Va.; and

A bill (S. 1400) providing for the construction of an iron picket fence around the monument at Jamestown, Va.; to the Committee on the Library.

A bill (S. 1401) providing for the improvement of the roadway from the railroad depot at Fredericksburg, Va., to the national cemetery near Fredericksburg;

A bill (S. 1402) to correct the military record of Charles Anderson;

A bill (S. 1403) to place Dr. Henry Smith on the retired list of the Army;

A bill (S. 1404) to establish the Fredericksburg and Adjacent National Battle Fields Memorial Park, in the State of Virginia; and

A bill (S. 1405) for the correction of the military record of Capt. Dorsey Cullen; to the Committee on Military Affairs.

A bill (S. 1406) to reimburse the estate of Gen. George Washington for certain lands of his in the State of Ohio lost by conflicting grants made under the authority of the United States; to the Committee on Private Land Claims.

A bill (S. 1407) for the relief of John F. Wingfield; to the Committee on Post Offices and Post Roads.

A bill (S. 1408) granting permission to the Lynnhaven Terminal Corporation to improve the lower Chesapeake and Lynnhaven Bay by the construction of a breakwater; and

A bill (S. 1409) to promote the efficiency of the Life-Saving Service; to the Committee on Commerce.

A bill (S. 1410) for the promotion of Carpenter Joseph A. O'Connor, United States Navy, retired, to the rank of chief carpenter on the retired list;

A bill (S. 1411) providing for the promotion of Chief Boatswain Patrick Deery, United States Navy;

A bill (S. 1412) for the relief of James C. Hilton; and

A bill (S. 1413) to authorize and direct the President of the United States to place upon the retired list of the United States Navy late Midshipman John Benton Ewald with the rank of ensign; to the Committee on Naval Affairs.

A bill (S. 1414) for the relief of Granville J. Kelly;

A bill (S. 1415) for the relief of Joseph T. Chance and the heirs of John R. Burton, deceased;

A bill (S. 1416) for the relief of Thomas Johnson or his legal representatives;

A bill (S. 1417) for the relief of the heirs of Lemmus J. Spence, deceased;

A bill (S. 1418) for the relief of Joseph C. Boggs;

A bill (S. 1419) for the relief of the heirs of William Samuel Custis;

A bill (S. 1420) for the relief of John Henry Edwards;

A bill (S. 1421) for the relief of R. H. Hayden and Emma Hayden, executrix of the estate of Logan F. Hayden, deceased;

A bill (S. 1422) to provide for the payment of certain moneys advanced by the States of Virginia and Maryland to the United States Government to be applied toward erecting public buildings for the Federal Government in the District of Columbia;

A bill (S. 1423) for the relief of the heirs and estate of Joseph Blosser, deceased;

A bill (S. 1424) for the relief of the estate of William A. Coffman, deceased;

A bill (S. 1425) for the relief of the estate of H. F. Cocke, deceased;

A bill (S. 1426) for the relief of the heirs of Robert L. Martin;

A bill (S. 1427) for the relief of Bolivar Sheild;

A bill (S. 1428) for the relief of the estate of Simeon H. Wootton, deceased;

A bill (S. 1429) for the relief of the estate of Mary N. Cox, deceased;

A bill (S. 1430) for the relief of Bland Massie;

A bill (S. 1431) for the relief of Wesley Rankins;

A bill (S. 1432) for the relief of the heirs of William Walton, deceased;

A bill (S. 1433) for the relief of John W. Ritenour;

A bill (S. 1434) for the relief of Harrison Capp;

A bill (S. 1435) for the relief of James H. Hottel;

A bill (S. 1436) for the relief of Robert E. Jackson;

A bill (S. 1437) for the relief of the heirs of John E. Lewis, deceased;

A bill (S. 1438) for the relief of the estate of Branon Thatcher, deceased;

A bill (S. 1439) for the relief of Joseph E. Funkhouser;

A bill (S. 1440) for the relief of the estate of Jacob Cook, deceased;

A bill (S. 1441) for the relief of C. N. Rash;

A bill (S. 1442) for the relief of the heirs or estate of Samuel Sheetz, deceased;

A bill (S. 1443) for the relief of the legal representative of William C. Read;

A bill (S. 1444) for the relief of Abraham Kellar;

A bill (S. 1445) for the relief of heirs and estate of James Jones, deceased;

A bill (S. 1446) for the relief of Elise Trigg Shields;

A bill (S. 1447) for the relief of the heirs of John A. Jones, deceased;

A bill (S. 1448) for the relief of the estate of John Jett, deceased;

A bill (S. 1449) for the relief of the estate of Brandt Kincheloe, deceased;

A bill (S. 1450) for the relief of the heirs of J. D. Makely, deceased;

A bill (S. 1451) for the relief of the estate of George P. Loehr, deceased;

A bill (S. 1452) for the relief of Hulda V. Coffer;

A bill (S. 1453) for the relief of Mary E. Collier;

A bill (S. 1454) for the relief of the legal representatives of Alexander K. Phillips, deceased;

A bill (S. 1455) for the relief of Adam Carpenter;

A bill (S. 1456) for the relief of the heirs of William Downs;

A bill (S. 1457) for the relief of Edward B. Fox, administrator of the last surviving partner of the firm of Child, Pratt & Fox;

A bill (S. 1458) for the relief of the heirs of Richard S. Rew, deceased;

A bill (S. 1459) for the relief of the legal representatives of the estate of Charles E. Mix;

A bill (S. 1460) for the relief of the heirs of Powhatan Perkins;

A bill (S. 1461) for the relief of the estate of John Anderson, deceased;

A bill (S. 1462) for the relief of H. L. Briscoe, heir of Sarah Briscoe;

A bill (S. 1463) for the relief of the heirs of Amanda M. James, deceased;
A bill (S. 1464) for the relief of the estate of Richard Wiseman, deceased;
A bill (S. 1465) for the relief of the heirs of John D. Rawlings, deceased;
A bill (S. 1466) for the relief of the estate of William Benton, deceased;
A bill (S. 1467) for the relief of the heirs of John Wescott;
A bill (S. 1468) for the relief of Emma C. Franner, George W. Seaton, Hiram K. Seaton, Howard Seaton, Mary Seaton, Blanche Seaton, George W. Taylor, Edward Taylor, and Catharine Pomeroy;
A bill (S. 1469) for the relief of the estate of Thomas Lee, deceased;
A bill (S. 1470) for the relief of C. A. Sprinkel;
A bill (S. 1471) for the relief of Edgar M. Wilson, administrator of Thomas B. Van Buren, deceased;
A bill (S. 1472) for the relief of William Corcoran;
A bill (S. 1473) for the relief of Frank Hoskins;
A bill (S. 1474) for the relief of Benjamin P. Loyall;
A bill (S. 1475) for the relief of Martin Maddux;
A bill (S. 1476) for the relief of A. O. Tucker;
A bill (S. 1477) for the relief of Tilman Jeter;
A bill (S. 1478) for the relief of Laura V. Phipps;
A bill (S. 1479) for the relief of Mary Cornick;
A bill (S. 1480) for the relief of the estate of Murray Mason, deceased;
A bill (S. 1481) for the relief of the estate of William J. Conner, deceased;
A bill (S. 1482) for the relief of the estate of Mary G. Temple, deceased;
A bill (S. 1483) for the relief of the estate of John Ivy, deceased;
A bill (S. 1484) for the relief of J. N. Whittaker;
A bill (S. 1485) for the relief of L. L. Scherer;
A bill (S. 1486) for the relief of S. W. Niemeyer;
A bill (S. 1487) for the relief of the heirs at law of Capt. John Lewis;
A bill (S. 1488) for the relief of the Richmond Locomotive Works, successor of the Richmond Locomotive & Machine Works;
A bill (S. 1489) for the relief of the Potomac Steamboat Co.;
A bill (S. 1490) for the relief of the estate of Ella P. Williams;
A bill (S. 1491) for the relief of the estate of Maurice T. Smith;
A bill (S. 1492) for the relief of John W. Fairfax;
A bill (S. 1493) for the relief of Ida Banks;
A bill (S. 1494) to reimburse William Van Derveer, of Millboro, Va., for excess revenue taxes assessed against and collected from him;
A bill (S. 1495) to compensate the Old Point Improvement Co. for the demolition and removal of the Hygeia Hotel property from the Government reservation at Old Point, Va.;
A bill (S. 1496) for the relief of Mary Eliza Woodhouse;
A bill (S. 1497) for the relief of Norval Cox and heirs of Robert Rollins, deceased;
A bill (S. 1498) for the relief of William Allman and others;
A bill (S. 1499) to reimburse J. H. Whealton for moneys paid by him as surety for C. W. Fullerton, late postmaster of Whealton, Va.;
A bill (S. 1500) for the relief of the heirs of Matthew Smith, deceased;
A bill (S. 1501) for the relief of Tyree Bros.;
A bill (S. 1502) for the relief of Luther H. Potterfield;
A bill (S. 1503) for the relief of Mrs. C. N. Graves, widow of R. F. Graves, jr., deceased;
A bill (S. 1504) conferring jurisdiction on the Court of Claims to try, adjudicate, and determine certain claims for compensation for carrying the mails and pay for the discontinuance of postal service;
A bill (S. 1505) giving jurisdiction to the Court of Claims to ascertain the interest of Anna M. Fitzhugh, and the value of such interest, in the wood taken from the estate of Ravensworth by the military authorities of the United States;
A bill (S. 1506) to carry out the findings of the Court of Claims in the cases herein enumerated;
A bill (S. 1507) for the relief of the trustees of the Zion Methodist Church, of York County, Va.;
A bill (S. 1508) for the relief of George M. Fry;
A bill (S. 1509) for the relief of G. W. Browder;
A bill (S. 1510) for the relief of the estate of Thomas H. Nelson, deceased;
A bill (S. 1511) for the relief of William T. Miles;
A bill (S. 1512) for the relief of the estate of Arthur F. Clift, deceased;
A bill (S. 1513) for the relief of the legal heirs of the late L. Claiborne Jones;
A bill (S. 1514) for the relief of the heirs of James Bowles, deceased;
A bill (S. 1515) for the relief of the estate of James G. Hodges, deceased;
A bill (S. 1516) for the relief of the legal representatives of the estate of John Heater;
A bill (S. 1517) for the relief of E. A. R. Wyatt, heir of Edward A. Wyatt, deceased;
A bill (S. 1518) for the relief of the trustees of Carmel Baptist Church, Caroline County, Va.;
A bill (S. 1519) for the relief of the trustees of Urbanna Episcopal Church, Middlesex County, Va.;
A bill (S. 1520) for the relief of the trustees of Lebanon Evangelical Lutheran Church, of Shenandoah County, Va.;
A bill (S. 1521) for the relief of the estate of Peter McEnery, deceased;
A bill (S. 1522) for the relief of John S. Mann and the estate of Lewis W. Mann, deceased;
A bill (S. 1523) for the relief of W. T. Flippin, administrator of John F. Flippin, deceased;
A bill (S. 1524) for the relief of the estate of William D. Wright, deceased;
A bill (S. 1525) for the relief of Joseph H. Shafer;
A bill (S. 1526) for the relief of the Seaboard Air Line Railway; and
A bill (S. 1527) for the relief of Bella Crounse and other heirs of the estate of James Bell, deceased (with accompanying papers); to the Committee on Claims.
A bill (S. 1528) granting an increase of pension to George W. Brown;
A bill (S. 1529) granting a pension to Joseph H. Mayo;
A bill (S. 1530) granting a pension to R. H. Catlett;
A bill (S. 1531) to restore to the pension roll the name of Jordan T. Fletcher;
A bill (S. 1532) granting a pension to James J. Boothe;
A bill (S. 1533) granting a pension to Lucy W. Lockwood;
A bill (S. 1534) granting a pension to George E. Harrison;
A bill (S. 1535) granting a pension to Mildred J. Almond;
A bill (S. 1536) granting an increase of pension to Florence P. Percy;
A bill (S. 1537) granting an increase of pension to Rachael Chambers;
A bill (S. 1538) granting an increase of pension to Sherwood C. Bowers;
A bill (S. 1539) granting a pension to Walter S. Buchanan;
A bill (S. 1540) granting a pension to Richard L. Miller; and
A bill (S. 1541) granting a pension to Roland B. Horsley; to the Committee on Pensions.

By Mr. SHIVELY:

A bill (S. 1542) to place on the retired list of the Army the names of the surviving officers who were mustered out under the provisions of the act of Congress approved July 15, 1870; and
A bill (S. 1543) for the relief of Richard Hogan; to the Committee on Military Affairs.

By Mr. BRADLEY:

A bill (S. 1544) for the relief of the estate of William Claunch, deceased;
A bill (S. 1545) for the relief of the estate of Ben Whitaker, sr., deceased;
A bill (S. 1546) for the relief of Joseph Ballou;
A bill (S. 1547) for the relief of Anthony, Eubanks & Co.;
A bill (S. 1548) for the relief of the estate of Jonathan B. Polk, deceased;
A bill (S. 1549) for the relief of the heirs or estates of William McClure and Margaret McClure, deceased;
(By request.) A bill S. 1550) for the relief of William A. Kinsolving;
A bill (S. 1551) for the relief of the estate of David W. Settle, deceased;
A bill (S. 1552) for the relief of the estate of Mary H. S. Robertson, deceased;
A bill (S. 1553) for the relief of the estate of George Vaught, deceased;
A bill (S. 1554) for the relief of the estate of William Thomas Lowe; and
A bill (S. 1555) for the relief of Gilbert Wilkerson and Jeremiah Sparks, alias Dave Sparks; to the Committee on Claims.

By Mr. OWEN (by request):

A bill (S. 1556) forbidding the importation, exportation, or the carriage in interstate commerce of watchcases made, in

whole or in part, of an inferior metal having deposited or plated thereon, or brazed, or otherwise affixed thereto, platings, coverings, or sheets composed of gold, or of an alloy thereof, bearing words or marks importing a guaranty or wear for a specified time, and of watchcases of less than 9 carat, bearing the word "gold," and of watch movements not properly marked in respect to the number of their jewels and their adjustment, and for other purposes; to the Committee on Interstate Commerce.

By Mr. CUMMINS:

A joint resolution (S. J. Res. 26) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MARTIN of Virginia:

A joint resolution (S. J. Res. 27) authorizing the Librarian of Congress to return to Williamsburg Lodge, No. 6, Ancient Free and Accepted Masons, of Virginia, the original manuscript of the record of the proceedings of said lodge; to the Committee on the Library.

By Mr. JONES:

A joint resolution (S. J. Res. 28) authorizing the appointment of a board to ascertain and report to Congress the probable cost of acquiring lands on each side of Pennsylvania Avenue as sites for buildings necessary for the transaction of present and prospective governmental business; to the Committee on Public Buildings and Grounds.

By Mr. HUGHES:

A joint resolution (S. J. Res. 29) authorizing the President to appoint a member of the New Jersey and New York Joint Harbor Line Commission; to the Committee on Commerce.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. MYERS submitted an amendment proposing to appropriate $25,000 for the establishment of a fish-cultural station in the State of Montana, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment providing that the act of August 24, 1912, be extended to apply to the Reclamation Service, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment intended to be proposed by him to the bill (H. R. 2973) making appropriations for certain expenses incident to the first session of the Sixty-third Congress, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SMITH of South Carolina submitted an amendment proposing to appropriate $5,000 for the construction of a rostrum at the national cemetery at Florence, S. C., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SHEPPARD submitted an amendment proposing to appropriate $6,850 for expenses of the delegates to be designated by the President to the Fourteenth International Congress on Alcoholism, at Milan, Italy, September, 1913, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CHILTON submitted an amendment proposing to appropriate $1,491.92, to be paid to the Citizens Trust & Guaranty Co. of West Virginia, being the amount withheld by the Navy Department in making settlements under contracts Nos. 1008 and 1106, September 3 and November 1, 1902, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CHAMBERLAIN submitted an amendment intended to be proposed by him to the bill (H. R. 2973) making appropriations for certain expenses incident to the first session of the Sixty-third Congress, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. KENYON submitted an amendment proposing to appropriate $75,000 to investigate and encourage the adoption of improved methods of farm management and farm practice, and for farm demonstration work, intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. GRONNA submitted an amendment proposing to appropriate $1,000 for a fair at Fort Totten, to be expended under the direction and supervision of the superintendent at that fort, etc., intended to be proposed by him to the Indian appropriation bill, which was referred to the Committee on Indian Affairs and ordered to be printed.

He also submitted an amendment proposing to appropriate $1,000 for examination of the land embraced in Sullys Hill Park, to determine whether it contains valuable minerals, etc., intended to be proposed by him to the Indian appropriation bill, which was referred to the Committee on Indian Affairs and ordered to be printed.

He also submitted an amendment proposing to increase the appropriation for the suppression of the traffic in intoxicating liquors and peyote among Indians from $75,000 to $125,000, intended to be proposed by him to the Indian appropriation bill, which was referred to the Committee on Indian Affairs and ordered to be printed.

Mr. WILLIAMS submitted an amendment proposing to appropriate $10,000 for placing the Government approach roadway to the Vicksburg National Cemetery, Vicksburg, Miss., in a state of permanent repair, etc., intended to be proposed by him to the sundry civil appropriation bill, which was ordered to be printed and, with the accompanying paper, referred to the Committee on Appropriations.

Mr. SHIVELY submitted an amendment proposing to appropriate $1,000 to pay O. M. Enyart for moneys paid and expended by him for the purchase of the copyright of Ben Perley Poore's Political Register and Congressional Directory of the United States, etc., intended to be proposed by him to the sundry civil appropriation bill, which was ordered to be printed and, with the accompanying paper, referred to the Committee on Appropriations.

THE TARIFF.

Mr. BURTON submitted five amendments intended to be proposed by him to the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

Mr. GALLINGER submitted an amendment intended to be proposed by him to the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

WITHDRAWAL OF PAPERS—W. T. RICE.

On motion of Mr. WORKS, it was

Ordered, That W. T. Rice be authorized to withdraw from the files of the Senate all papers accompanying Senate bill 7920, Sixty-second Congress, third session, entitled "A bill for the relief of W. T. Rice," no adverse report having been made thereon.

INVESTIGATIONS OF BANKING AND CURRENCY.

Mr. OWEN submitted the following resolution (S. Res. 66), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Banking and Currency be, and they are hereby, authorized and directed, by subcommittee or otherwise, to make investigations of banking and currency matters and to compile and prepare statistics relative thereto such as may be necessary, and to report from time to time to the Senate the result thereof, and for this purpose they are authorized to sit, by subcommittee or otherwise, during the sessions of the Senate or recesses thereof at such times and places as they may deem advisable, to send for persons and papers and administer oaths, and to employ such stenographic and clerical assistance, or otherwise, as may be necessary, the expense of such investigation to be paid for from the contingent fund of the Senate, and the committee is authorized to pay for such printing and binding as may be necessary for its use.

CLERK TO COMMITTEE ON BANKING AND CURRENCY.

Mr. OWEN submitted the following resolution (S. Res. 67), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the clerk to the Committee on Banking and Currency, whose employment was authorized by resolution of March 17, 1913, be paid at the rate of $3,000 per annum from miscellaneous items, contingent fund of the Senate.

STATISTICS RELATING TO WAGE EARNERS.

Mr. SHEPPARD submitted the following resolution (S. Res. 68), which was referred to the Committee on Education and Labor:

Resolved, That the Secretary of Labor be, and he is hereby, directed to investigate and report, as far as it is practicable, upon the mortality and the disability by accident or by disease incident to or resulting from the various occupations in which the wage earners of the United States are engaged.

AMENDMENT OF THE RULES.

Mr. ASHURST. I submit a resolution for appropriate reference.

The resolution (S. Res. 69) was read and referred to the Committee on Rules, as follows:

Resolved, That in accordance with the notice given on April 21, 1913, proposing an amendment to the standing rules of the Senate, there be added the following, to be known as Rule ——:

"*Resolved*, That no committee of the Senate shall sit behind closed doors: *Provided, however*, That this rule shall not apply to any committee considering treaties, executive business, or matters affecting foreign relations."

DIPLOMATIC AND CONSULAR SERVICE.

Mr. JOHNSTON of Alabama. Mr. President, I wish to present a resolution and then I wish to ask unanimous consent for its present consideration. In this connection I desire to say that I have certain information in regard to the men employed in the Diplomatic and Consular Service which is very astounding to me.

In the Diplomatic Service of the United States there are 10 ambassadors—2 from the District of Columbia, 2 from New York, and 1 each from Massachusetts, Pennsylvania, Ohio, Michigan, Missouri, and Washington—the salary of each being $17,500.

In the same service there are two classes of envoys extraordinary and ministers plenipotentiary, one class receiving a salary of $12,000, and the other $10,000.

Of the first class of ministers there are 8—2 each from New York, Maryland, and Illinois, and 1 each from Vermont and Pennsylvania.

Of the second class there are 27—5 from New York, 4 each from New Jersey and Illinois, 3 from the District of Columbia, 2 each from Pennsylvania and Minnesota, and 1 each from Delaware, Indiana, Massachusetts, Kentucky, Missouri, Kansas, and West Virginia.

Thus it will be seen that of the 35 ambassadors and ministers there are none from the South, counting Kentucky as a border State, while the District of Columbia has five.

The Consular Service is divided into classes, with consuls general ranking highest.

The consuls general of Class I, with a salary of $12,000, are but two in number, located at London and Paris, respectively, one being from Indiana and the other from Ohio.

Of Class II, with a salary of $8,000, there are 7 in all—2 from the District of Columbia, 2 from Ohio, and 1 each from Pennsylvania, Illinois, and Wisconsin.

Of Class III, with a salary of $6,000, there are 9 in all—1 each from Indiana, Illinois, Vermont, Missouri, South Dakota, and Washington, with 3 vacancies.

Of Class IV, with a salary of $5,500, there are 12 in all—2 from Ohio, 2 from Louisiana, 2 from West Virginia, and 1 each from the District of Columbia, New York, Pennsylvania, Rhode Island, North Dakota, Wisconsin, and West Virginia.

Of Class V, with a salary of $4,500, there are 17 in all—3 each from the District of Columbia and New York, 2 from Massachusetts, and 1 each from Indiana, Virginia, Wisconsin, New Jersey, California, Tennessee, and Oregon, with 1 vacancy.

Of Class VI, with a salary of $3,500, there are 9 in all—2 from Illinois, and 1 each from Oklahoma, Iowa, and Missouri, with 4 vacancies.

Of Class VII, with a salary of $3,000, there are 3 in all—1 each from New York, Colorado, and Illinois.

Of consuls general at large, with a salary of $5,000, there are 5 in all—1 each from New York, Maine, Kansas, and North Carolina, with 1 vacancy.

Out of the 64 consuls general, only 5, or 7 per cent, are from Southern States, while the District of Columbia alone is favored with 6. The aggregate salary of the 5 from the Southern States is $25,000, while the 6 from the District of Columbia have an aggregate salary of $45,000.

Under the consuls general there are 241 consuls, divided into 9 classes, with salaries ranging from $8,000 down to $2,000. Of those who receive over $2,000, 23 only are from Southern States, while the District of Columbia has 13, more than half of the least-paid consuls being from Southern States.

The salaries in the aggregate of consuls general and of consuls from all the Southern States amount to $84,000, while the aggregate salaries of those from Ohio alone amount to $103,500; those from the District of Columbia alone to $72,500; New York, $64,500; Illinois, $62,000; Pennsylvania, $57,000.

Posts in the Consular Service held by Democrats, especially southern Democrats, pitifully few in number, notwithstanding the insistent professions of recent Republican administrations of the nonpartisan character of the method employed in the selection of applicants for admission, subjecting them to a fair examination without regard to party affiliation or State of residence, are comparatively insignificant and inconsequential, and most certainly out of keeping with the importance of the communities and Commonwealths from which they come. An investigation of the consular list, with the salary class, will show this. An investigation of the department's method of examination in recent years will show that of 282 persons in the Consular Service, taking no account of vacancies, only 80, or 28 per cent, have ever taken any other than a political or favored examination; while by a special kind of examination brought into vogue by the Roosevelt administration and practiced under the Taft administration, the test has been so severely rigid as fully to warrant the suspicion that it was conceived and constructed to protect the favorites of those two administrations. An impartial and common-sense scrutiny of the practices of the Republican administrations and of the State Department must be convincing not only to that effect, but persuasive that the intent was also to hamper and discourage worthy and highly competent southern Democrats from aspiring to positions in the foreign service.

In short, over 200 of the persons now in the Consular Service have never taken any kind of examination to test their real fitness for their posts; and 95 per cent of that number are Republicans from Northern States, or from the District of Columbia, where residence in the social center in the vicinity of the White House has given them, through Republican Presidents, an open sesame to the best in the foreign service of the Government, from ambassadors to the cream of the Consular Service.

Mr. President, I wish now to call attention to the appointments from the States.

From Alabama there are only three consuls, the aggregate of the salaries of the three being $6,500. There are none in the Diplomatic Service.

From Florida there is only one, with a salary of $2,000.

From Mississippi there are four, with aggregate salaries of $7,400.

Mr. WILLIAMS. Mr. President, the one from Florida is in the Consular Service, is he not?

Mr. JOHNSTON of Alabama. Yes; in the Consular Service.

Mr. WILLIAMS. There is no one at all from Florida in the Diplomatic Service.

Mr. JOHNSTON of Alabama. I am including both the Consular and the Diplomatic Service in the statement I am now making.

From the District of Columbia there are 65, with salaries amounting to $205,350.

From Illinois there are 38, with salaries aggregating $157,300.

From New York there are 79, with salaries of $278,700.

From Ohio there are 39, with salaries of $142,000.

From Pennsylvania there are 60, with salaries of $194,100.

Taking this list by sections, Mr. President, from the Northeastern States there are 156, with salaries of $550,000; from the border States 52, with salaries of $182,225; from the Middle Western States 145, with salaries of $498,650; from other Western States 75, with salaries of $218,475; from the District of Columbia 65, with salaries of $205,350; from the 11 Southern States, with a population of over 23,000,000 people, there are only 80, with salaries amounting to $167,300, less than several of the States I have mentioned.

It must be remembered, Mr. President, that these consuls are supposed to represent not so much the diplomatic interests of the country but its business and trade. In my section of the country there is an immense development in manufactures and an immense sale of the products of our soil—perhaps the largest of any part of the United States when you take cotton and its products—yet there are only 80 consuls to serve us and not a single ambassador.

Mr. BACON. Mr. President, I want to say to the Senator that he gives a little too much credit to these consuls when he says their duties are not so much diplomatic. They are not at all diplomatic.

Mr. JOHNSTON of Alabama. That is true; they are not at all diplomatic; they are purely of a business nature. That being the fact, I do not see why such an immense number should be appointed from the District of Columbia, which has no manufacturing or export interests whatever.

Mr. GALLINGER. Mr. President, will the Senator permit me an inquiry?

Mr. JOHNSTON of Alabama. Certainly.

Mr. GALLINGER. I will ask the Senator if it is not true that so far as ambassadors and ministers are concerned as a rule they have tendered their resignations to the President?

Mr. JOHNSTON of Alabama. I am talking about the present situation.

Mr. GALLINGER. Yes; but will it not be remedied by the Senator's President when he reaches that point?

Mr. JOHNSTON of Alabama. I hope it will be remedied, but it seems to be going along very slowly. [Laughter.]

Mr. President, I ask leave to print in the RECORD the table I have prepared, so that Senators may see exactly what the situation is.

The VICE PRESIDENT. If there be no objection, leave will be granted.

The table is as follows:

Officers and employees of the State Department in Washington and in the Diplomatic and Consular Service abroad, with their number and aggregate compensation, by States.

	Number.	Compensation.
Alabama	3	$6,500
Arizona	0	
Arkansas	1	1,000
California	23	72,225
Colorado	3	6,000
Connecticut	16	27,800
Delaware	2	12,000
District of Columbia	65	205,350
Florida	1	2,000
Georgia	6	13,500
Idaho	1	4,000
Illinois	38	157,300
Indiana	16	50,300
Iowa	16	37,000
Kansas	8	24,200
Kentucky	9	31,700
Louisiana	8	19,900
Maine	12	36,900
Maryland	31	46,425
Massachusetts	29	94,000
Michigan	13	37,500
Minnesota	13	40,925
Mississippi	4	7,400
Missouri	16	72,500
Montana	2	5,000
Nebraska	6	26,600
Nevada	1	2,000
New Hampshire	5	11,500
New Jersey	15	65,200
New Mexico	3	11,000
New York	79	278,700
North Carolina	6	18,200
North Dakota	2	8,500
Ohio	39	142,000
Oklahoma	3	7,650
Oregon	3	9,500
Pennsylvania	60	194,100
Rhode Island	9	23,225
South Carolina	10	20,200
South Dakota	4	14,500
Tennessee	10	27,200
Texas	7	12,800
Utah	3	7,000
Vermont	6	29,100
Virginia	24	38,200
Washington	12	42,300
West Virginia	6	31,500
Wisconsin	10	33,625
Wyoming	1	5,000
New England States	77	222,525
North-East States—		
New York	79	278,700
New Jersey	15	65,200
Delaware	2	12,000
Pennsylvania	60	194,100
Total	156	550,000
Border States—		
Maryland	21	46,425
West Virginia	6	31,500
Kentucky	9	31,700
Missouri	16	72,500
Total	52	182,125
Middle Western States—		
Ohio	39	142,000
Michigan	13	37,500
Indiana	16	50,300
Illinois	38	157,300
Wisconsin	10	33,625
Minnesota	13	40,925
Iowa	16	37,000
Total	145	498,650
Other Western States	75	218,475
District of Columbia	65	205,350
Southern States—		
Alabama	3	6,500
Arkansas	1	1,000
Florida	1	2,000
Georgia	6	13,900
Louisiana	8	19,900
Mississippi	4	7,400
North Carolina	6	18,200
South Carolina	10	20,200
Tennessee	10	27,200
Texas	7	12,800
Virginia	24	38,200
Total	80	167,300
Vacancies	26	101,500
Grand total	676	2,145,928

Mr. JOHNSTON of Alabama. I ask unanimous consent that the resolution may be adopted.

Mr. POMERENE. Mr. President, may I ask the Senator a question?

Mr. JOHNSTON of Alabama. Certainly.

Mr. POMERENE. Has the Senator's investigation gone to the extent of enabling him to state what is the political faith of these consular officers?

Mr. JOHNSTON of Alabama. My information has been that they are almost wholly Republicans.

Mr. THOMAS. Since or before the election?

Mr. JOHNSTON of Alabama. Both before and since. There have been very few changes. I ask that the resolution be read, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Senator from Alabama asks unanimous consent for the immediate consideration of the resolution, which will be read by the Secretary.

The Secretary read the resolution (S. Res. 65), as follows:

Resolved, That the Committee on Foreign Relations is hereby directed to inquire into and report to the Senate the number of men in the Diplomatic Service of the United Staes and in the Consular Service, the States from which appointed, and the aggregate salaries of the appointees from the several States and the District of Columbia.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. CUMMINS. Mr. President, before the resolution is adopted I should like to ask its author a question. The Consular Service is entered, I understand, through competitive examinations. I should like to know whether it is the desire of the Senator from Alabama to abolish the custom or rule of the department with regard to the Consular Service, and open it up to purely political appointments?

Mr. JOHNSTON of Alabama. In reply, Mr. President, I will say that I stated that over 200 of these consuls have never submitted to any examination whatever. They are in the service without an examination. I am not opposed to an examination to show the fitness of the men, but I am heartily in favor of every section of the United States having a fair and equal proportion of the officers who are appointed.

Mr. CUMMINS. Mr. President, so am I. I understand that there are a certain number—I have no doubt the Senator from Alabama has given the number correctly—who were in the service at the time the rule was promulgated by the State Department. I have suggested what I have solely to avoid any interpretation by my silence that I favor the abolition of the rule of merit which has been established and which I understand is now being enforced in the State Department. I hope that rule will continue, although in the very nature of things it ought to afford each geographical community or section of the United States a fairly equal representation in the service. That is true because men are very much alike all over the country.

Mr. JOHNSTON of Alabama. Yes; and I want to say, Mr. President, that it will hardly be considered possible by anyone on this floor that out of the 23,000,000 people in the South there are only 87 who are qualified to enter the Consular Service.

Mr. CUMMINS. I do not think so; but it may be that the men from the South have not applied for entry to the Consular Service under this rule. I do not know whether they have or not. But if they have, and if competent men from the South have been denied appointment in order to appoint incompetent men, or less competent men, from the North, I should be the first to condemn a practice of that kind.

Mr. WILLIAMS. The two statements of the Senator from Iowa are not in accord with one another. If this has been a service based upon competitive examination, then of course the question who has applied is irrelevant. It seems that by some queer coincidence of politics with civil-service merit seven-eighths of the employees in the Diplomatic and Consular Service are Republicans. It seems that by some queer coincidence of politics with civil-service merit about three-fourths of the employees of the departments are Republicans.

Mr. CLARK of Wyoming. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. Certainly.

Mr. CLARK of Wyoming. Does the Senator speak from investigations that he has made in regard to the politics of these men?

Mr. WILLIAMS. I am speaking from the facts with regard to the Diplomatic and Consular Service just presented by the Senator from Alabama.

Mr. CLARK of Wyoming. I do not understand that the Senator from Alabama drew any distinction as to the politics of the men now in that service.

Mr. WILLIAMS. The Senator from Wyoming is right about that; my inference was an inference; but they all come from the Northern States, and they do not come from the Southern States. They all come from the Republican geography of the

country, and none of them come from the Democratic geography of the country, and I drew the inference. I would suggest that the Senator from Alabama add something else to his resolution of inquiry, to wit, to find out what is the political faith of the men holding these places.

Mr. JOHNSTON of Alabama. I have no objection at all to that.

Mr. WILLIAMS. I notice the Senator from Iowa spoke about competitive examinations. I have been here a pretty good long while. I have seen two men break into the Diplomatic Service from Mississippi on what are called competitive examinations. They are not competitive in any proper sense at all.

Then, as far as I am concerned, I believe that if the present administration does not change that, the confirmation of appointments ought to be resisted in this body. There is no use telling me that southerners are not just as fit for public employment in the Diplomatic and Consular Service as men north of the line. So far in the history of this country they have shown their equality in the field, in the forum, before the bench, and everywhere else, and they are equal with them.

I suggest to the Senator from Alabama that he add to the resolution a further inquiry as to the political faith of the incumbents of these offices.

Mr. JOHNSTON of Alabama. I am perfectly willing to do that.

I wish to say further that I have never seen any notice of any vacancies that were about to occur and calling for men to stand an examination. I have had three men examined for the service from Alabama and only two of them were passed. I think if there had been notice when there was going to be a vacancy in the Consular Service there would have been a great many applications from Alabama or Mississippi or Florida of highly qualified men, graduates of universities, familiar with the manufacturing and industrial interests of the whole country.

Mr. WILLIAMS. At the suggestion of the Senator from Oregon, I want to add to my suggestion, in order to avoid complications, in view of the character of men who can change their politics quicker than any administration, that the inquiry be directed to their political faith at the time of their appointment.

Mr. JOHNSTON of Alabama. There have been no appointments since the present administration came in that I know of, except two or three. I am perfectly willing to have the amendment suggested by the Senator from Mississippi added to the resolution.

Mr. WARREN. May I interrupt the Senator for a moment?

Mr. JOHNSTON of Alabama. Certainly.

Mr. WARREN. I think I can speak rather freely on the subject, because the State I have the honor of representing in part has no representation whatever in either the Diplomatic or the Consular Service, aside from one secretary of legation.

Regarding the examination, my understanding has been that the departments have not called for examinations for specific places, but they have called for examinations of classes, and when those who apply have passed they are graded, and the places that may be open are filled by selection and acceptance from that class. In fact, there is a waiting list most of the time of those who have satisfactorily passed the prescribed examination.

I presume the Senator may be differentiating between those appointed under the old system and those appointed since the period of examinations began.

Mr. JOHNSTON of Alabama. No; I am speaking of the present system.

Mr. WARREN. I hope the resolution will be antedated to cover the previous time, so that we may know what percentage have gone into the service through the examinations and acceptance on their merits, supposed to be regardless of their political faith.

Mr. SMITH of Georgia. I should like to ask the Senator from Wyoming if it is not true that some kind of a certificate is required from a Senator or official in order that the applicant may stand this examination.

Mr. WARREN. I think he has to give references as to his character and standing.

Mr. BACON. The rule is that he shall present a request from the Senator or Representative that he be allowed to stand an examination.

Mr. WARREN. Still he can present it without the indorsement of a Senator or Representative.

Mr. SMITH of Georgia. It requires the recommendation of a Senator to get the examination. That, I am sure, has been the rule. The result was, as the Senate was largely Republican, that those requests came from the other side of the Chamber.

Mr. JOHNSTON of Alabama. What I complain about is that Senators did not know when vacancies were going to occur and never heard of them so as to be able to advise their constituents. It is only when they make special requests that the privilege is granted. In the instance in my State, three or four men were examined, and I succeeded in getting two appointed. They passed the examination at a very high grade.

Mr. SMOOT. I should like to ask the junior Senator from Georgia whether if at any time a Democratic Senator indorsed anyone for an examination that indorsement did not go just as far with the department as though it had been an indorsement by a Republican?

Mr. SMITH of Georgia. I have not the detailed information to be able to answer.

Mr. SMOOT. The Senator from Alabama has just testified to the fact that, as far as he was concerned, it had.

Mr. JOHNSTON of Alabama. No; I said I had recommended some four gentlemen from Alabama for examination and only two who were permitted to take the examination passed.

Mr. SMOOT. Utah has not any representation in the Diplomatic Service. I find that, as far as the West is concerned, representation in both services is not very much greater than in the South; but there is a cause for that, Mr. President. The expense of coming here, where the examination takes place, from the Pacific coast is very great indeed. A great many people can not afford to incur the expense to come here and take the examination when they are not positive of an appointment after the examination is taken. I really believe that that is a part of the reason. Of course——

Mr. SMITH of Georgia. I am satisfied that is not true as to my own State, because the distance is not very great.

Mr. SMOOT. I am not speaking of the South.

Mr. SMITH of Georgia. The people in our section are very fond of coming to Washington.

Mr. SMOOT. Particularly at the present time.

Mr. BACON. Mr. President, I do not think the criticism that is best founded is that which relates to the matter of the requirement of an examination. That is of recent origin, and the representation in the Consular Service as a result of that examination is a very small percentage of the consuls representing the United States in foreign countries. I doubt if there is one in fifty now serving who got there through that examination. Consequently that question does not materially affect the situation, so grossly unjust, which has been disclosed by the paper read by the Senator from Alabama. That situation has been caused by appointments under an altogether different system. That situation, with its gross inequality in representation among the consuls of the different sections of the country, has been caused by appointments outside of any examination, and that is an evil. The question is, How is it to be remedied? Everyone will recognize that it is an evil; everyone will recognize that it is a condition that should not exist, and which should not be allowed to continue to exist if there is any way to reach it.

So far as that particular order is concerned, I do not think there is anything in it that is to be very much criticized. I have had occasion myself to look upon it with favor. I think that possibly it is not an order which should be universal in its application and enforcement. I think it is very frequently the case that a man who could not stand the examination which is required by that order would make a first-class consul. I think it is very frequently the case that some man could be found who would make a better consul than any man who stood the examination. The best consular representative is not always the man who can stand the examination in foreign branches, because that is a very severe examination. I have had occasion to look at it, and it is one that, I am frank to say, I could not pass successfully; and I do not believe that any Senator here, unless he went back to school for a month or two and reviewed his studies, could pass it.

There are many young men who can pass that examination who have no peculiar qualifications for the Consular Service. On the other hand, there are a great many men, men of affairs, men of business experience, men of energy, men of initiative, who would make very excellent consuls—the best of consuls—who could not possibly pass the examination.

Therefore I think a better system would be one which, while adhering to the order of examinations as a general thing, would admit the propriety of making exceptions whenever it appeared it was to the interest of the public service that some man should be appointed to the Consular Service who did not possess the necessary familiarity with the higher branches of mathematics and other branches of knowledge which are required by that examination.

Mr. LODGE. Will the Senator allow me?

Mr. BACON. With pleasure.

Mr. LODGE. I did not know that the applicants were examined in mathematics. I think of much more importance is the requirement that they should know one language besides their own. I think that must keep a great many very valuable men out of the service.

Mr. BACON. It does keep a great many out. I have had occasion to correspond at various times with the Department of State about that fact. In this country the knowledge of foreign languages is not general. It is extremely difficult for a man to know practically a foreign language who lives in America, because he hears but one language. A man may make himself quite proficient in a language while a student in college, but if he does not keep it up by mingling with those who speak that language in a few years he practically loses it. There is no question about that whatsoever.

Therefore, as suggested by the Senator from Massachusetts, that does debar a very large number of men who would make efficient consuls. While a knowledge of the language of the country in which the consul is to perform his duties is very important it is not essential. I think the rule ought to be relaxed.

Mr. OVERMAN. Will the Senator allow me to state a case right there that happened within my own knowledge?

Mr. BACON. With pleasure.

Mr. OVERMAN. A clerk in a department here who knew nothing about business except to do clerical work came to me and said he would like to get into the Consular Service. I asked him if he could speak a foreign language. He said, "No; but I am going to a night school here in Washington, and I think I can learn it." He went to the night school, learned the foreign language, and succeeded in passing the examination and was appointed. He knew nothing about the business matters of the country; he was purely a clerk; and yet he passed the examination. It is a rule that I think ought to be relaxed in some way.

Mr. BACON. I think the spirit which prompted that order, which was passed in the administration of Mr. Roosevelt, is to be applauded. It in a measure took the Consular Service out of politics. It did not altogether do so, because those who had to administer the law naturally were influenced in some degree by those who were in political affiliation with them, and there is a discretion even after the examination has been passed as to who shall be selected. So it did not entirely eliminate politics, but it did very largely do so. I think the purpose and spirit of the order are to be applauded.

Now, I do not think that in the administration of that order there has been any marked injustice. I think the Senator from Alabama does injustice to the department in the particular in which he mentions, to wit, that parties were not upon notice as to a vacancy and that therefore they had not an opportunity to make application for examination to fill that vacancy.

Mr. JOHNSTON of Alabama. I said, if the Senator from Georgia will permit me, I did not know why it was, but we had no notice of the fact that there were any vacancies in the places of consuls, and therefore we had no opportunity of knowing, unless we went to the department and found out privately, whether there was to be a change in the future. Then there would be only one or two men appointed, so that there could not be any general system by which they could qualify themselves under the rules of the department.

Mr. BACON. I am in entire sympathy with the general purpose of the Senator from Alabama that there should be a change in this matter, and I am trying to show that the particular feature to which attention has been directed is not that of which there can be such criticism as, if sustained, will correct the evil. What I was about to say when the Senator interrupted me is that under this order no one is examined for any particular position. He is not examined, when it is found out that there is a vacancy in Bombay, for an appointment to Bombay. There is a general examination for the purpose of securing the names of those who will be deemed eligible by the President as proper men to appoint whenever there is a vacancy, just like there is, for instance, in the civil service. It is true that in the civil service there is some classification; the men stand an examination for clerks in some subdivision, or something of that kind. But in this order there is a general standing program under which the President designates men for examination upon the recommendation of Senators and, I think, also of Representatives; I am not sure about that, I think so, however. In other words, he gives permission to them to stand an examination in order that by and under the evidence furnished by those examinations he may be in a position to judge whether the applicant is a man proper to be appointed or not. The names of the men who have passed the examination are put upon the list. They do not have to wait for a vacancy until the examination is ordered. Their names are put upon the list and then when vacancies occur men are selected from those lists and appointed to fill the places.

Mr. SMOOT. Mr. President——

Mr. BACON. If the Senator will pardon me a minute, I repeat it is of course perfectly natural when there are 100 men on a list and a dozen of them to be appointed that the element of personal influence should have some controlling effect. I have no doubt that it does. The order has in a great measure eliminated from the Consular Service the political feature, but, as I said, that does not reach the present evil.

Mr. SMITH of Georgia. Before my colleague passes from that will he let me ask him a question? Is it not the entire difference between the examinations for the Consular Service and the ordinary civil-service examinations that under the ordinary civil-service examination each State receives its due quota and three who stood the best examination are selected to the service, while under this examination quite a long list is made and the selection is made which pleases the appointing power best?

Mr. BACON. There is undoubtedly more opportunity for that to be done.

Mr. JOHNSTON of Alabama. I wish to ask the Senator in this connection whether when such an examination is ordered the Secretary of State should not take the applicants from States that have not their pro rata of appointments?

Mr. BACON. The Senator anticipates me in that. I am trying to get to that.

Mr. SMITH of Georgia. We were so anxious to hear the Senator on it that we wanted it before he got to it.

Mr. LODGE. Mr. President, if the Senator will allow me to make the suggestion, I think there is one thing passed over in his very natural desire to improve the Consular Service by getting the valuable men who can not pass the examination. There is one great obstacle now in the present regulations. As Senators are well aware, all the consulates are graded. They are graded according to salaries. There are seven grades. Under the present regulations new appointments are made only to the two lowest grades. That is a thing which I think will, unless changed, interfere very seriously with getting the valuable men who can not pass the examination.

Mr. BACON. The Senator is entirely correct. The only mistake he made was in saying that I had passed it over. I had not got to it. I have been struggling for some time trying to reach it.

Mr. LODGE. I have no doubt that by the time the Senator gets through——

Mr. BACON. It will all be covered.

Mr. LODGE. He will have gotten every one of what he calls these valuable men, who can not pass the examination, out of the service.

Mr. BACON. That is not the purpose which I have in view. It is really difficult for me to continue the thread of what I am saying, not only because of the interruption but because of the different views presented by the different Senators who have made the interruption.

I was about to say that I am sorry the senior Senator from New York [Mr. ROOT] is not here, because I think he is really the author of that order. I had correspondence with him at the time he was Secretary of State and I have had conversation with him since then. I think the purpose was a laudable one.

I want to say as to the matter which was suggested by my colleague, and about which I intended to speak, that while there is no such hard and fast rule as is attempted to be laid down in the civil-service law with reference to the distribution of these officers among the States, I know that there has been expressed, and I believe honestly expressed, a desire through this examination in a measure to distribute these consular appointments in the different States.

But the difficulty is, as I said in the outset, that this affects a mere small fractional percentage of those who are in the Consular Service, and it would take half a century—certainly a quarter of a century—with the most rigid adherence to the purpose, to distribute them to the different States through this method of examination and to correct the evil as it now stands. The question is, What is to be done now? Ought it to remain as it is? Ought it to remain with one section of the country almost exclusively filling up the Consular Service, or ought it to be distributed?

I am very frank to say that while I believe that as a general rule there ought to be some relaxation of this order, and men who do not pass the examination ought to be appointed, I think in the present condition of affairs it ought to be very severely relaxed; and I believe it is the duty, not simply of a Democratic

administration, but that it would be the duty of a Republican administration if it were in power, to so change the present Consular Service as in some degree, at least, to make a due proportion of representation in this service for one part of the country as well as for the other.

Mr. GALLINGER. Mr. President——

Mr. BACON. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I do not desire to interrupt the discussion, but I rise for the purpose of saying that when I get an opportunity to do so I shall ask that the resolution go over under the rule. I want to look into it a little more carefully.

Mr. BACON. Then, Mr. President, I have no desire to occupy the floor further.

Mr. THOMAS. Mr. President——

Mr. GALLINGER. I object to the present consideration of the resolution.

Mr. WORKS. Since we are still under the order of business of bills and joint resolutions, I want to offer——

Mr. THOMAS. I was under the impression that the order of morning business had closed.

Mr. WORKS. Morning business has not yet been closed, as I understand. I send to the desk an amendment which I desire——

Mr. GALLINGER. If the Senator from California will permit, I ask that the resolution go over under the rule.

The VICE PRESIDENT. If the Senator will permit the resolution to be read as it now stands, it will then go over under the rule. The resolution will be read.

The Secretary read the resolution as follows:

Resolved, That the Committee on Foreign Relations is hereby directed to inquire into and report to the Senate the number of men in the Diplomatic Service of the United States and in the Consular Service, the States from which appointed, the aggregate salaries of the appointees from the several States and the District of Columbia, and the political party with which such appointees were affiliated at the time of their appointment.

The VICE PRESIDENT. The resolution will go over and be printed.

WASHED PAPER MONEY.

Mr. MARTINE of New Jersey. Mr. President, if this is the proper stage of proceeding, I desire to present correspondence from 587 bank presidents and cashiers, representing every State in the Union, protesting against what is known as "washed money." I desire to ask that this correspondence be printed as a public document. My prompting in making this motion I feel is richly justified from this large amount of correspondence. I put myself in communication with the various banks of the country, and I have received protests, as I say, from 587 of them in every State of the Union, insisting that the method should be discontinued. For myself I feel that the country can not have too much of good, fresh, clean money.

I insist that after the Government having secured, as it has, the best art in the matter of engraving, thereby obtaining the deepest and most permanent colors, it ill becomes us to go through a Chinese laundering process of washing and fading out our money. This is the universal protest of bank presidents and cashiers throughout our country against this process of soapsuds and caustic soda by which the fine lines, the work of the artist and the engraver, have been practically obliterated and the colors destroyed so that it is impossible to detect whether or not notes are counterfeit.

I introduced some time since a paper, which was published as a document, entitled "Counterfeiters' delight," and its sentiments have been reechoed from one end of this country to the other. I feel that the United States Government, at least, is called upon to do as much as does the Government of Great Britain and the Governments of many other countries in turning out clean, fresh, crisp money. I have no sympathy with any process——

Mr. THOMAS. Mr. President——

Mr. MARTINE of New Jersey. One moment. I have no sympathy with any process that shall keep alive and circulate among the people greasy, filthy rags, such as many that are now in circulation. I do insist that it should not be the business of a few men in the Treasury Department to establish machines to wash our paper money or to curtail its size. That is a matter which should be left with the people of the United States. Apropos of what I have said, I ask that this correspondence may be published as a document.

Mr. THOMAS. I do not like to interrupt the Senator from New Jersey, but I must insist upon the regular order.

Mr. MARTINE of New Jersey. I thought I had assent from the Vice President. I asked him if this were the proper stage at which to present this proposition, and, hearing nothing to the contrary, I assumed that it was.

The VICE PRESIDENT. May the Chair inquire whether the Senator's proposition is accompanied by a resolution?

Mr. MARTINE of New Jersey. By only a verbal resolution, Mr. President.

Mr. SMOOT. It is a request from the Senator from New Jersey that certain letters which he has received be printed as a public document. The correspondence is all upon one subject, and, as I understand, there are 587 letters.

Mr. MARTINE of New Jersey. There are 587 letters, representing every State in the Union.

Mr. SMOOT. Mr. President, I hardly think that it is necessary to have those 587 letters printed as a public document, especially they being all one way and all protesting against one single object. I believe the Senator will secure just as much publicity for the statement——

Mr. MARTINE of New Jersey. I am not looking for publicity. The Senator from Utah is entirely in error. I want to say that there are four banks in the State of Utah, the Senator's own State, that protest most vehemently against this process. I want to present to you—and I think the Senator will not object—a letter signed by a former Member of this body, W. M. Kavanaugh, of Little Rock, Ark.

Mr. THOMAS. Mr. President, I must again insist upon the regular order. This is all out of the regular order.

The VICE PRESIDENT. If there is objection to the request, and it is not accompanied by a resolution——

Mr. MARTINE of New Jersey. Well, I will reserve my privilege, and present the matter again.

The VICE PRESIDENT. If there are not further concurrent or other resolutions, morning business is closed.

ASSISTANT CLERKS OR MESSENGERS TO SENATORS.

Mr. WILLIAMS. Mr. President, I desire to call up Senate resolution 15.

The VICE PRESIDENT. The Chair lays before the Senate the resolution referred to by the Senator from Mississippi [Mr. WILLIAMS], which was reported by the Committee to Audit and Control the Contingent Expenses of the Senate, with an amendment in the nature of a substitute. The proposed substitute will be read.

The Secretary read as follows:

Resolved, That the Committees on Coast and Insular Survey, on Enrolled Bills, on Expenditures in the Agricultural Department, on Expenditures in the Departments of Commerce and Labor, on Standards, Weights, and Measures, on Expenditures in the Department of State, on Forest Reservations and the Protection of Game, on National Banks, on Public Health and National Quarantine, on Geological Survey, to Investigate Trespassers upon Indian Lands, on the Mississippi River and its Tributaries, on Pacific Railroads, on Railroads, on Transportation Routes to the Seaboard, on the University of the United States, on Woman Suffrage, to Examine the Several Branches of the Civil Service, on Indian Depredations, on Transportation and Sale of Meat Products, on Engrossed Bills, on the Five Civilized Tribes of Indians, on Additional Accommodations for the Library of Congress, on Private Land Claims, on Disposition of Useless Papers in the Executive Departments, on Revolutionary Claims, on Corporations Organized in the District of Columbia, on conference of the minority of the Senate be, and they are hereby, authorized to employ one assistant clerk each, at $1,200 per annum, to be paid from "miscellaneous items" of the contingent fund of the Senate until otherwise provided for by law: *Provided*, That if any of the committees recited above already have three employees the resolution shall not apply to them, except that this proviso shall not apply to the conference of the minority of the Senate.

Mr. WILLIAMS. I am informed by the Senator from Utah [Mr. SMOOT] that the Senator from North Dakota [Mr. MCCUMBER] will not further insist upon the amendment which he offered at the last session of the Senate. I therefore move to lay the amendment on the table.

Mr. SMOOT. Mr. President, I will say that that will be perfectly agreeable to the Senator from North Dakota. He asked me to make the same motion, and I want to explain to the Senate, inasmuch as he is absent from the Chamber at this time, that it is satisfactory to him.

The VICE PRESIDENT. The Secretary will state the amendment heretofore proposed by the Senator from North Dakota to the amendment of the committee in the nature of a substitute.

The SECRETARY. The amendment proposed by Mr. MCCUMBER was, on page 2, line 19, to amend the amendment by striking out "$1,200" and inserting "$1,400."

The VICE PRESIDENT. The question is on the motion of the Senator from Mississippi to lay the amendment to the amendment on the table.

The motion was agreed to.

Mr. SMOOT. I move that the words "assistant clerk," in line 19, page 2, be stricken out and that the word "messenger" be inserted.

Mr. WILLIAMS. I accept the amendment, so far as I can.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 2, line 19, after the word "one," it is proposed to strike out the words "assistant clerk" and in lieu thereof to insert the word "messenger."

The VICE PRESIDENT. The question is on the amendment of the Senator from Utah to the amendment reported by the committee in the nature of a substitute.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee in the nature of a substitute as amended.

Mr. BACON. Mr. President, I think we ought to have a statement as to what the status of the measure will be as amended. The matter was before the Senate the other day, and there seemed to be very great differences of opinion as to what was the proper construction of this proposed measure. I should like to have it stated now what will be the status.

Mr. WILLIAMS. I suggest that the Secretary read the resolution as reported from the committee. The Senator can get the information he wants from that. It is perfectly plain.

Mr. SMOOT. Omitting the long list of committees.

Mr. WILLIAMS. Inasmuch as the Senator from Georgia wants to know what it is, the Secretary can read them.

Mr. BACON. Mr. President, I am induced to make the request from the fact that there was such a difference of opinion on a former occasion among Senators who are in favor of this measure as to what it meant. I want to know if they are now agreed upon it, and what it does include. Some Senators were of the opinion that it reduced all of these clerks or messengers, whichever you may choose to call them, to $1,200; but other Senators said that it only reduced a certain number of them to $1,200. Now, which is correct?

Mr. WILLIAMS. I suggest that the resolution explains itself, and, if the Senator desires the information, the resolution may be read. There is not a particle of doubt about what it means.

Mr. LODGE. The resolution, Mr. President, if I may say so, does not explain itself. It cuts down a certain number of men who are now receiving as messengers $1,440.

Mr. WILLIAMS. There is no doubt about that fact. It is perfectly plain.

Mr. LODGE. That does not appear on the face of the resolution.

Mr. WILLIAMS. It does appear on the face of the resolution.

Mr. LODGE. It is an inference naturally from it.

Mr. WILLIAMS. Oh, no; what the resolution does is this: There are now upon the rolls of the Senate 10 so-called special messengers, who have been detailed at the request of Senators to serve certain committees. This resolution does away practically with the details, and enables Senators to appoint those men as messengers to their committees, whereupon they cease to be special messengers upon the general roll of the Senate, and immediately thereupon their salaries are reduced from $1,440 to $1,200, and all the nominal committees of the Senate, some of which now have $1,200 men and some have $1,440 men, are put upon an equal footing. These men were named to the special-messengers' roll by the Senators who wanted them, and the Senators who wanted them will want them again; but now they go off of that roll and go on the roll as messengers of particular committees, and they go off the special roll at $1,440 and go on a committee roll as $1,200 men.

Mr. LODGE. Precisely.

Mr. WILLIAMS. What I meant in saying that there could be no doubt about the resolution, was simply that there could be no doubt about that fact. The only danger is that the Sergeant at Arms might reappoint other men to fill the places of these men; but this is a party matter; it is done under the dictates of a majority caucus. I will say, by the way, that as an original proposition I was not in favor of giving any other assistance to seven or eight of these committees; but I am obeying that behest, and of course the Sergeant at Arms will obey it, and there will be no appointments to fill the vacancies upon the special list made by these appointments.

Mr. CLARK of Wyoming. Mr. President, I should like to ask the Senator a question. He speaks of a list of special messengers. Are not all messengers carried upon a general messenger roll or messenger list?

Mr. WILLIAMS. They are; but these 10 or 11 men, or whatever the number may be—I have forgotten the exact number—have already been detailed to serve these committees. Nobody will be appointed to fill their places as messengers.

Mr. CLARK of Wyoming. I understand that; but the Senator was not strictly accurate when he said there was a special messenger list.

Mr. WILLIAMS. I meant a detailed messenger list.

Mr. CLARK of Wyoming. Is there a detailed messenger list? Are not these men detailed from the general messenger list?

Mr. WILLIAMS. Yes.

Mr. CLARK of Wyoming. That is what I wanted to know. Now, will the Senator inform us how many are on the messenger list of the Senate?

Mr. WILLIAMS. I do not know.

Mr. SMOOT. Thirty-seven.

Mr. WILLIAMS. I know that these 11 are there, and these 11 have been detailed.

Mr. SMOOT and Mr. LODGE. There are 37.

Mr. CLARK of Wyoming. Thirty-seven?

Mr. WILLIAMS. Thirty-seven. This will reduce the messenger list from 37 to 26, and we will take care of them when we come to the appropriation bill later.

The VICE PRESIDENT. The question is upon agreeing to the amendment reported by the committee in the nature of a substitute for the original resolution as amended on motion of the Senator from Utah [Mr. SMOOT].

Mr. VARDAMAN. I should like to have the resolution as amended read, so that we may understand exactly what it is.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

Resolved, That the Committees on Coast and Insular Survey, on Enrolled Bills, on Expenditures in the Agricultural Department, on Expenditures in the Departments of Commerce and Labor, on Standards, Weights, and Measures, on Expenditures in the Department of State, on Forest Reservations and the Protection of Game, on National Banks, on Public Health and National Quarantine, on Geological Survey, to Investigate Trespassers upon Indian Lands, on the Mississippi River and its Tributaries, on Pacific Railroads, on Railroads, on Transportation Routes to the Seaboard, on the University of the United States, on Woman Suffrage, to Examine the Several Branches of the Civil Service, on Indian Depredations, on Transportation and Sale of Meat Products, on Engrossed Bills, on the Five Civilized Tribes of Indians, on Additional Accommodations for the Library of Congress, on Private Land Claims, on Disposition of Useless Papers in the Executive Departments, on Revolutionary Claims, on Corporations Organized in the District of Columbia, on conference of the minority of the Senate be, and they are hereby, authorized to employ one messenger each, at $1,200 per annum, to be paid from "miscellaneous items" of the contingent fund of the Senate until otherwise provided for by law: *Provided*, That if any of the committees recited above already have three employees, the resolution shall not apply to them, except that this proviso shall not apply to the conference of the minority of the Senate.

Mr. WILLIAMS. Mr. President, I want to make one explanation to the Senate about the last clause of the substitute. The minority conference have always had four employees. That is something that always has been granted by the majority to the minority, and of course we want to grant it now. Therefore this exception was made from the proviso.

Mr. SMOOT. That is the case, Mr. President.

The VICE PRESIDENT. The question is upon agreeing to the amendment in the nature of a substitute, reported by the Committee to Audit and Control the Contingent Expenses of the Senate, for the original resolution as amended.

The amendment as amended was agreed to.

The resolution as amended was agreed to.

ADJOURNMENT TO MONDAY.

Mr. KERN. I move that when the Senate adjourns to-day it adjourn to meet on Monday next at 12 o'clock meridian.

The motion was agreed to.

ADDITIONAL CIRCUIT JUDGE.

Mr. THOMAS obtained the floor.

Mr. CHILTON. Mr. President, will the Senator yield to me for a moment?

Mr. THOMAS. I yield for a moment to the Senator from West Virginia.

Mr. CHILTON. I desire to move at this time what would be the regular order, as I understand—that we take up Senate bill 577, authorizing the President to appoint an additional circuit judge for the fourth circuit, and consider it.

Mr. BRISTOW. Mr. President, I understand that the Senator from Colorado has given notice that he desires to speak to-day immediately after the routine morning business.

Mr. CHILTON. That is true, and he has kindly allowed me to make this motion.

Mr. BRISTOW. The bill will cause considerable debate before it can be passed.

Mr. CHILTON. How much time will it take?

Mr. BRISTOW. I do not know. I want the Senate to understand just what it is doing. I think we had better let the bill go over and take it up some other day.

Mr. CHILTON. No; that does not suit me at all. This is the regular order, and I do not want it to go over. Of course, if it is going to take up the Senator's time, I will give notice that when the Senator finishes his remarks I will make this

motion. I do not intend to have the bill keep going over all the time. It is the regular order; it is on the calendar; it is the only bill on the calendar; and I certainly can move to take it up or proceed with the regular order. I do not wish to disturb the Senator from Colorado, but I give notice that when he shall have finished, no matter when that time may be, I shall make this motion.

Mr. BRISTOW subsequently said: Mr. President, recurring to the bill to which the Senator from West Virginia has referred, I desire to say that I do not care to take any great length of time in discussing it. A very few minutes will satisfy me. If the Senator from Colorado is willing for it to be taken up now, I am perfectly willing that it shall be taken up and considered.

Mr. THOMAS. I was willing at the outset, Mr. President, but so much time has been consumed that I feel as though I should not be asked to yield the floor, because the matter might take more time than seems probable.

The VICE PRESIDENT. The Senator from Colorado has the floor.

AMENDMENT OF ANTITRUST ACT.

Mr. THOMAS. Mr. President, I call up the bill S. 112, striking out the words "unreasonable or undue" inserted by the Supreme Court of the United States into section 1 of the act of Congress of July 2, 1890.

The VICE PRESIDENT. The bill is before the Senate, and the Senator from Colorado will proceed.

Mr. THOMAS. Mr. President, I ask the Secretary to read Senate bill No. 112.

The Secretary read the bill (S. 112) to restore section 1 of the act of Congress of July 2, 1890, chapter 647, Twenty-sixth Statutes at Large, to its original form as enacted by striking out the words "unreasonable or undue," inserted therein by a decision of the Supreme Court of the United States, introduced by Mr. THOMAS April 7, 1913, as follows:

Be it enacted, etc., That the words "unreasonable or undue," inserted by the Supreme Court of the United States on May 15, 1911, by its decision of the case entitled "Standard Oil Co. of New Jersey et al. *v.* The United States," between the words "in" and "restraint of trade or commerce," where these words occur in section 1 of the act of Congress of July 2, 1890, chapter 647, Twenty-sixth Statutes at Large, page 209, commonly known as the antitrust act, be, and the same are hereby, stricken out and repealed, and that the said section of said statute be restored to its original form, structure, and meaning as the same was enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SEC. 2. That in all actions, civil or criminal, now pending or to be instituted against any person or corporation for a violation of the provisions of said act, and in all appeal from or writs of error to review any judgment, decree, or conviction rendered or secured therein, against any person or corporation by the United States, or by any person or corporation, the courts of the United States shall interpret and apply the said act according to its terms, language, and provisions as the same was originally enacted and as the same will read as hereby amended, and not otherwise.

Mr. THOMAS. Mr. President, I am not accustomed to speaking from written manuscript. I prefer the more direct and satisfactory method of oral statement and discussion. I have made an exception, however, to the rule which I have generally followed, because of the importance, in my opinion at least, of the proposition which is involved in this bill, and also because I think it is a subject which requires precision of statement. I shall therefore trespass upon the patience of the Senate by reading what I have to say.

On the 15th day of May, 1911, the Supreme Court of the United States announced its opinion in the case of the Standard Oil Co. of New Jersey and others versus The United States. The case had been submitted on March 16, 1910, after an oral argument of three days' duration. It was restored to the docket on April 11 following, and was reargued on January 12, 13, 16, and 17, 1911.

On May 29, 1911, the same court handed down its decision in the case of United States versus American Tobacco Co., which had also been twice argued and submitted. These decisions wrote qualifying words into a Federal statute which profoundly altered its meaning and restricted its purpose.

On July 26, 1911, the Senate referred to the Committee on Interstate Commerce a resolution:

That the Committee on Interstate Commerce is hereby authorized and directed, by subcommittee or otherwise, to inquire into and report to the Senate at the earliest date practicable what changes are necessary or desirable in the laws of the United States relating to the creation and control of corporations engaged in interstate commerce, and for this purpose they are authorized to sit during the sessions or recesses of Congress, at such times and places as they may deem desirable or practicable; to send for persons or papers; to administer oaths; to summon and compel the attendance of witnesses; to conduct hearings and have reports of same printed for use; and to employ such clerks, stenographers, and other assistants as shall be necessary, and any expense in connection with such inquiry shall be paid out of the contingent fund of the Senate upon vouchers to be approved by the chairman of the committee.

In obedience to the requirements of this resolution, the committee conducted hearings extending over a period of more than three months, took much testimony, and made its report to the Senate on February 26, 1913. Its work was comprehensive. Its report is brief, concise, and illuminating. Whatever view may be entertained of the recommendations of the majority of its members, there can be but one sentiment as to the tremendous and immediate importance of the subject and the necessity for national legislation concerning it at the present session of Congress if possible—at the ensuing regular session in any event. And it is equally certain that this legislation should be comprehensive in its scope and unmistakable in its character; that it should be applicable to all persons and corporations engaged in interstate commerce; that it should be applied and enforced by executive agencies with promptness and efficiency, and that it should be relieved as far as Congress can relieve it from those perils of judicial decree which the existing law has encountered, with unfortunate results to it and to those whom it was designed to serve. Otherwise the enforcement of the antitrust laws, however complete in their purpose and clear in their details, will drift from the executive into the judicial department of the Government and, like some of their predecessors, be lost in the shoals and quicksands of construction and interpretation.

Believing that until the substance and the form of our scheme of government shall have undergone radical changes, some of which are concededly desirable, the power to legislate is vested in Congress, subject only to the Executive power of veto, I assert it to be both our right and our duty to make that power effective. It is our right under the Constitution. It is our duty if we would continue the right unimpaired and make our laws operative in the manner and to the extent that we enact them. The Federal courts long ago assumed the prerogative of pronouncing upon the validity of national statutes and have exercised it since the decision in Marbury against Madison. They have also exercised the right of construction, which is a perfectly legitimate one when confined to instances where language has been at fault with resulting ambiguities. And they have more recently changed the phraseology of a statute, which means legislation by decree. It is no reflection upon the integrity, the character, or the motives of judges to say this, for it is a self-evident fact and one which calls for counteraction by Congress if we would give effect to the popular demand as expressed in legislation. To do less is to renounce our powers in passive assent to their invasion by another department.

It was said many years ago that the power to interpret laws is the power which legislates. This is true, because the power may be and, in fact, is frequently applied to laws which are wholly free from ambiguity and which, therefore, interpret themselves. To undertake the construction of such a law is to distort its meaning and to change its application. This is but saying that such a law when interpreted is not the law as enacted; it is a different one, and becomes so by a process which is nothing less than legislation.

And the power to legislate by interpretation involves the power to interpret the same statute more than once and in more than one direction, so that the same law may be subject to change with every controversy that appeals to it for final solution. This is not a healthy condition of things, but it is far less dangerous to our institutions than one which rests upon the assumption of power to insert words and phrases into the body of a law by judicial decree. That is something more than interpretation; it is interpolation; it is legislating directly and specifically. And the power to interpolate words and phrases includes the power to strike out or subtract them whenever that may be the preferable or more expedient method of procedure. When one department of any government has authority to declare the laws of that government to be unconstitutional, to interpret their provisions when interpretation is to alter their meaning, to enforce them as interpreted to add words to or subtract words from them, and expound and enforce them as thus reconstructed, that department is supreme. It is a department in name only. Its attributes are sovereign in scope and character. It is the government for all essential purposes; and it is not a republican or representative government. It may be that the power to set aside laws of Congress because they are believed to be unconstitutional is indispensable to the integrity of our institutions. While I do not concede it, I enter upon no discussion of the question at this time. I shall content myself by referring to the historic fact that four attempts were unsuccessfully made by some of its framers to insert into the Constitution this power to declare laws invalid, each of which was rejected by decided majorities. From this I naturally infer that it has no place in our National Charter except as it has been located there by what is called "necessary implication." I maintain, however, that the common practice of

interpreting statutes and the later one of adding words to them by the courts are the natural offspring of this assumed power to set them aside altogether. I am mindful of the fact that the courts have always declared that they can not invalidate a statute if they can construe it conformably with constitutional requirements; that is to say, to their view of such requirements. This not only suggests—it invites construction, and precedent begets precedent; so that construction is frequently invoked, whether the statute impinges upon the Constitution or not. One canon of construction is to ascertain and then apply the legislative intent which will not be presumed to be in conflict with the limitations of the Constitution, and such intent must be gleaned from the phraseology of the law. But this may prove a difficult task, in which case the judges sometimes recast the statute. And so the latest phase of the development of this prerogative, where the meaning of a statute is challenged, is that if the intent can not be ascertained from the language employed, or if such intent does not conform to the judicial view of what it should be, the addition of a word or two by the court will supply the intent as the court determines it should be, and the decree is entered accordingly. In its last analysis the statute is changed to suit the views of the court, although there may be nothing ambiguous or unconstitutional about it. Is it extravagant to assert that through the evolution of this power to invalidate the laws of Congress we are being transformed from a republican to a judicial system of government?

Congress is frequently compared to the British Parliament, and as frequently contrasted with it. The House of Representatives is supposedly analogous to the House of Commons. The American Senate is sometimes facetiously, sometimes seriously, called the American House of Lords. But apart from the fact that money bills must originate with the House of Representatives, there is little resemblance between it and the House of Commons. Our powers are now limited, not only by a written Constitution, but by another department which asserts and exercises the power to examine, to construe, to approve, to change, or to invalidate the laws we enact. They become effective at the pleasure of the courts. The real analogy to the British Parliament, therefore, is furnished by the Supreme Court of the United States. Its laws, like those of the Parliament, are supreme. Its decrees, like those of Parliament, are not subject to change unless itself shall so declare. The President may veto what we do here, but we can override his veto. And he, with all his authority, can not lawfully insert a punctuation point between two words in any act of Congress, while the courts, under the exercise of a jurisdiction which, though conferred by the Constitution, is regulated by Congress, may declare its meaning and amend or set it aside at discretion.

If these conditions are to continue, if they are to be treated as a permanent feature of our national polity, I can perceive no certain relief from the evils which the so-called Sherman Act was designed to mitigate through any additional legislation which Congress in its wisdom may enact. For we can not safely assume that such legislation, however framed, will not suffer the same judicial surgery so recently administered to the parent law. We may safeguard our action by every known precaution that language vouchsafes; we may declare what construction that language shall receive, and yet awake some morning to learn from the courts that we never meant what we said, or never said what we meant, or did not mean to say what we said, or should have said something more or something less than what we actually said, and which is said for us, because we did not say what we should have said. And this final pronouncement becomes the law, not for all the people, but for those involved in the particular case. It is subject to readjustment in successive stages of future litigation. We may again resort to legislation and thus seek to reach the evil, but reach instead the same or more undesirable result.

Mr. Jefferson foresaw and deplored these conditions. In 1820 he declared that if the judges became the ultimate arbiters of all constitutional questions, we would be placed under the despotism of an oligarchy. A year later he thus wrote to a friend:

> It has long been my opinion that the germ of dissolution of our Federal Government is in the constitution of our Federal judiciary, an irrepressible body (for impeachment is scarcely a scarecrow) working by gravity by day and by night, gaining a little to-day and a little to-morrow, and advancing its noiseless steps like a thief over the field of jurisdiction.

But Mr. Jefferson's wisdom, though beyond that of nearly all his contemporaries, could not foresee that the judiciary, though working like gravity, would ever assume the power to write into an act of Congress words that were never meant to be there, and which Congress deliberately refused to put there, thus profoundly changing its scope and meaning and thereby transferring to itself the authority to execute or suspend its provisions.

Such a power is more than arbitrary. It savors of despotism. It is incompatible with free institutions. The courts of no other nation ever dared to exercise it. The people of no other nation would tolerate it. Plato said that government, by whatever name it might be called, would always be the government of the strongest man. We may paraphrase this aphorism by asserting that our Government, though called republican, is the government of the Supreme Court. Clothed with authority to set aside, to construe, and to make laws, it is above Congress, above the President, above the Constitution, and above the people. It is omnipotent.

Nothing more vividly illustrates the constant extension of judicial authority, and the far-reaching scope of its overshadowing prerogative, than the history of the fourteenth amendment. This child of the Civil War was designed above all other things to confirm and guarantee the civil rights of the negro, and to safeguard him against the menace of unfriendly State legislation. But for this reason it probably would not have been presented, and certainly would not have been ratified by the States.

I am familiar, in a general way, with the debates which attended its course through Congress, and with the emphasis which the courts have in more recent times placed upon the larger field it was designed to cover, that property as well as life and liberty was insecure and needed the protection of the Federal authority. I know that Senator Conkling reminded the circuit court of the ninth judicial circuit, in 1882, that when the amendment was first considered individuals and joint-stock companies were appealing for congressional and administrative protection against insidious and discriminating State and local tax laws. But such considerations were in those days of reconstruction as chaff before the wind.

The rights of the newly emancipated negro appealed to the dominant political party for adequate protection. That party desired to enfranchise him and use his vote to perpetuate its power. It responded by presenting and ultimately forcing the passage and ratification of the fourteenth amendment. Its beginnings are found in a resolution offered in the House by Thaddeus Stevens on December 5, 1865, proposing an amendment in these terms:

> All National and State laws shall be equally applicable to every citizen, and no discrimination shall be made on account of race and color.

From this germ sprang the celebrated amendment whose several provisions were unfolded as discussion of the subject proceeded in committee and on the floor. Throughout all the deliberations of that memorable period the civil rights of the freedman was the dominant note, the cardinal subject of consideration. These found expression in various forms and finally in that which became effective by adoption and ratification. Of this I think there can be no dispute. I shall therefore refer but very briefly to the debates which attended its course through the Congress.

Senator Howard, of the Reconstruction Committee, said:

> It establishes equality before the law, and it gives to the humblest, the poorest, the most despised of the race the same rights and the same protection before the law as it gives to the most powerful, the most wealthy, the most haughty. Without this principle of equal justice to all men and equal protection under the shield of the law there is no republican government and none that is really worth maintaining.

Senator Poland, in urging the provision for the equal protection of the laws, said:

> It is the very spirit and inspiration of our system of government, the absolute foundation upon which it was established. It is essentially declared in the Declaration of Independence and in all the provisions of the Constitution. Notwithstanding this, we know that State laws exist, and some of them of very recent enactment, in direct violation of these principles. It certainly seems desirable that no doubt should be left existing as to the power of Congress to enforce principles lying at the very foundation of all republican governments if they be denied or violated by the States.

Similar expressions from the lips of leading statesmen of that eventful era might be quoted, but it is unnecessary. We know that human rights were the transcendent issue, and that property rights were entirely secondary to their consideration. It may be that the property interests quietly but effectively made a Trojan horse of the amendment, whereby they might sometime gain access to the heart of the citadel. Subsequent events justify this assertion, for they have been the chief if not the sole beneficiaries of the amendment. It is indeed a striking commentary upon the wisdom and forethought of man that a fundamental addition made to the Constitution of the United States to protect and to preserve and enforce the civil and political rights of 3,000,000 of newly made freedmen has by judicial construction and application for nearly 50 years been converted into an effective agency for the accomplishment of almost

every end save that for which it was designed, and but for which it would never have been enacted.

The unfortunate people whom this amendment was chiefly intended to serve have been excluded from the ballot box and from juries. They have been subjected to discrimination in every direction. They have never been equal before the law. I say this in no spirit of criticism. I merely state a solemn truth. And these people have vainly appealed to the fundamentals of the fourteenth amendment and prayed for their vindication by the Federal courts many times through the intervening years. They have been told judicially that Congress was not empowered by the fourteenth amendment to enact so much of the civil-rights act of 1875 as was intended to secure equal accommodations at inns, places of public amusement, and in public conveyances without distinction of race or color, since the applicable provisions of the amendment have reference solely to State action (Civil Rights cases, 109 U. S., 3); that a State statute providing for separate railway carriages for the white and colored races and the assignment of passengers thereto according to their race deprived a colored person of no rights under the fourteenth amendment (Plessy *v.* Ferguson, 163 U. S., 537); that the equal protection of the laws is not denied to colored persons by a State constitution which makes no discrimination against them in terms, but which grants a discretion to certain officers which can be used to the abridgment of the right of colored persons to vote and serve on juries, but it is not shown that its actual operation is evil, but only that evil is possible under it. (Williams *v.* Mississippi, 170 U. S., 213.)

These and kindred decisions largely conclude the application of the amendment to personal guaranties. Their reasonings are the result of earnest contention and quite as earnest consideration. I pass them with two reflections. The first is that they chronologically follow the cases of Bowman *v.* Lewis (101 U. S., 22), the Slaughter House cases (16 Wall., 36), and Re Virginia (100 U. S., 313), which held in effect that the main purpose of the last three amendments was the freedom of the African race, the security and perpetuation of that freedom, their protection from the white men who had formerly held them in slavery, and the prohibition of the States by the fourteenth amendment from abridging the privileges and immunities thereby granted.

The other reflection is that the decisions denying the application of the fourteenth amendment to the colored race challenged the vigorous disapproval of Justice John M. Harlan. He dissented in toto from the conclusions of his associates, and insisted upon giving to the amendment that effect which its framers designed, extending its provisions for the protection of life and liberty, and the vindication at all times of the privileges and immunities of the citizen.

But those who invoked the provisions of the amendment for the protection of property rights and the vindication of property claims were more fortunate. The story is a long one, too long for this discussion, perhaps, yet most illustrative of its purpose; for it is a history of construction, whereby the whole scope, purpose, and effect of a constitutional provision have been transformed.

It begins with the Slaughter House cases, reported in Sixteenth Wallace, page 36, where a monopoly sought to evade the regulations of a State statute by invoking the shelter of the fourteenth amendment through the claim of taking property without due process of law. The Supreme Court, in this the first important controversy involving the amendment, declared the primary purpose of the first clause thereof to have been designed to confer citizenship on the negro race, and, secondly, to give definitions of citizenship of the United States and citizenship of the States, recognizing by these definitions the distinction between them. That the second clause protects from hostile legislation the privileges and immunities of citizens of the United States as distinguished from those of citizens of the States. That it was not necessary to inquire into the full force of the clause forbidding a State to enforce any law which deprives a person of life, liberty, or property without due process of law, since that phrase had often been the subject of judicial construction and was under no admissible view of it applicable to the present case.

It also held that the clause which forbids a State to deny to any person the equal protection of the laws was clearly intended to prevent the hostile discrimination against the negro race, so familiar in the States where he had been a slave, and for that purpose the clause conferred ample power upon Congress to secure his rights and his equality before the law. The right of the Louisiana butchers to protection against the operation of the Louisiana statute from the fourteenth amendment was denied, and the slaughterhouse monopoly was destroyed.

This great case was heard and decided in 1872 by judges occupying the bench when, or immediately after, the amendment was adopted. They were personally cognizant of its history, its causes, and its objects. They were conversant with its authors, its advocates, and its opponents. The opinion was delivered by Justice Miller, one of the greatest judges who ever adorned the bench. In his conclusions he thus disposed of the complainants' contention as to their rights under the amendment:

It would be the vainest show of learning to attempt to prove by citations of authority that up to the adoption of the recent amendments no claim or pretense was set up that those rights depended on the Federal Government for their existence or protection beyond the very few express limitations which the Federal Constitution imposed upon the States, such, for instance, as the prohibition against ex post facto laws, bills of attainder, and laws impairing the obligations of contracts. But with the exception of these and a few other restrictions the entire domain of the privileges and immunities of citizens of the States, as above defined, lay within the constitutional and legislative power of the States and without that of the Federal Government. Was it the purpose of the fourteenth amendment by the simple declaration that no State should make or enforce any law which shall abridge the privileges and immunities of citizens of the United States to transfer the security and protection of all the civil rights which we have mentioned from the States to the Federal Government? And when it is declared that Congress shall have power to enforce that article, was it intended to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the States? All this and more must follow, if the propostion of the plaintiffs in error be sound. The argument, we admit, is not always the most conclusive which is drawn from the consequences urged against the adoption of a particular construction of an instrument. But when, as in the case before us, the consequences are so serious, so far-reaching and pervading, so great a departure from the structure and spirit of our institutions, when the effect is to fetter and degrade the State governments by subjecting them to the control of Congress, in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character; when, in fact, it radically changes the whole theory of the relations of the State and Federal Governments to each other, and of both these governments to the people, the argument has a force that is irresistible, in the absence of language which expresses such a purpose too clearly to admit of doubt. The argument has not been much pressed in these cases that the defendants' charter deprives the plaintiff of their property without due process of law, or that it denies to them the equal protection of the law. The first of these paragraphs has been in the Constitution since the adoption of the fifth amendment as a restraint upon the power of the States. The law, then, has practically been the same as it now is during the existence of the Government, except as far as the present amendment may place the restraining power over the States in this matter in the hands of the Federal Government. We are not without judicial interpretation therefore, both State and National, of the meaning of this clause and it is sufficient to say that under no construction of that provision that we have ever seen or any that we deem admissible can the restraint imposed by the State of Louisiana upon the exercise of their trade by the butchers of New Orleans be held to be a deprivation of property within the meaning of that provision:

"Nor shall any State deny to any person within its jurisdiction the equal protection of the laws."

In the light of the history of these amendments and the pervading purpose of them, which we have already discussed, it is not difficult to give a meaning to this clause. The existence of laws in the States where the newly emancipated negroes resided which discriminated with gross injustice and hardship against them as a class was the evil to be remedied by this clause, and by it such laws are forbidden.

Four years afterwards Munn against Illinois was decided. In that great case it was held that down to the time of the adoption of the fourteenth amendment it was not supposed that statutes regulating the use or even the price of the use of private property necessarily deprived an owner of his property without due process of law. Under some circumstances they may, but not under all. That the amendment does not change the law in this particular; it simply prevents the States from doing that which will operate as such deprivation. That when the owner of property devotes it to a use in which the public has an interest he, in effect, grants to the public an interest in such use and must, to the extent of that interest, submit to be controlled by the public for the common good as long as he maintains the use. He may withdraw his grant by discontinuing the use. That rights of property, and to a reasonable compensation for its use, created by the common law, can not be taken away without due process; but the law itself, as a rule of conduct, may, unless constitutional limitations forbid, be changed at the will of the legislature. That the great office of statutes is to remedy defects in the common law as they are developed and to adapt it to the changes of time and circumstances. That the limitation by legislative enactment of the rate of charge for services rendered in a public employment, or for the use of property in which the public has an interest, establishes no new principle in the law, but only gives a new effect to an old one. (94 U. S., 113.)

The doctrine of these two cases seems incontrovertible. Its steady application to subsequent controversies involving them would have made trusts and combinations impossible. There could have been no trust question at this time to vex the liberties of the people or confound the faculties of statesmen. It was recognized and enforced in the so-called Granger cases and some others, but the decisions were obnoxious to the purposes

and developments of the great property interests. They were analyzed, criticized, dissented from, and denounced by certain sections of the press, by some of the law magazines, by lawyers, by laymen, and by some of the judges on the bench. Capital expressed concern, as it always does when laws and constitutions are expounded and enforced in opposition to its purposes, "lest investments be impaired and progress halt"

These tactics and influences have long since prevailed, and the principle announced and applied in the Slaughterhouse and Illinois cases have been asphyxiated by a continued process of adverse construction. It is true that no subsequent opinion expressly disapproves them. They are still occasionally quoted with that solemn dignity that is the due of the living to the dead, but their force and vitality are gone. They gradually but surely yielded to the lingering and lethal malady of construction. Step by step the inflowing tide of new decisions, which defined, confined, distinguished, modified, and attenuated, has overwhelmed them. In the process State courts, State statutes, the rules of the common law, the ordinances of great municipalities, the checks and balances of State constitutions, and solemn enactments of the Congress of the United States have been swept away. In consequence the authority of the Federal courts has been stretched over the entire domain of civil and criminal jurisprudence. The humblest controversies of these days are magnified into alleged transgressions of the sacred restrictions of the fourteenth amendment, relating to property rights, and Federal jurisdiction therefore attaches. All known forms of litigation either knock at the door of the Nation's courts or are carried there for determination under the far-reaching arm of the fourteenth amendment. It is said that 30 per cent of the business of these courts relies on that amendment for their jurisdiction, about 15 per cent of which involves its application to the facts in controversy. Every institution operating under charter, every person enjoying a franchise and claiming immunity from taxation or from local interference, every emigrant corporation from another State or from across the sea which fears or challenges the regulation of the local authority, every overcapitalized enterprise dropsical with watered bonds and stocks, demanding the right to tax its patrons without regard to its actual investment, every promotion dreading the inquisitorial powers of State tribunals operating under State laws, seek and find shelter under the protecting aegis of the fourteenth amendment as it has been defined, enlarged, and extended by the judicial authority of the Nation.

I shall not trace the development of this polity in detail. Anyone can do so who cares to arm himself with a digest of the Federal decisions. I feel impelled, however, to refer to some of its earlier stages.

As Justice Harlan dissented from the decisions invoking the principles of the amendment to safeguard the rights of persons, so Justice Field dissented from those in the Slaughterhouse case and in Munn *v.* Illinois, which involved the rights of things. That dominating personality declared at the outset for every demand of property under the amendment. His resentment toward the prevailing opinions of his brethren in these early cases breathes through every line of his vigorous protests. They are written in the spirit and with the zeal of the partisan. Those who challenged the soundness of the majority opinions found ample material for their opposition in his virile periods, and doubtless had an abiding faith in his ability to make them ultimately effective.

The opportunity came in California in 1882, in the case of San Mateo County *v.* The Southern Pacific Railway Co. (13 Fed., 722.) The railway company there contested the validity of certain taxes assessed by some of the counties of California against its property, and invoked the so-called property clause of the fourteenth amendment for the defeat of the tax. Mr. Justice Field journeyed to San Francisco to hear and decide it. The railway company employed illustrious counsel to defend its contention. Among them were Roscoe Conkling and George F. Edmunds, who were Senators of the United States when the fourteenth amendment was enacted. These noted lawyers gave all their great talents to the cause. Their arguments were historical as they were legal. The accounts they then gave of the amendment's history have been since quoted in arguments and in the decisions in subsequent controversies. They prevailed in the instant case, and Justice Field incorporated them in a zealous opinion followed by judgment for the railway company. The following year this opinion was duplicated by the same justice in the cases of Santa Clara County *v.* Southern Pacific Co. (16 Fed., 385.) These decisions were written in deliberate disregard of the doctrines of the Supreme Court in the Slaughterhouse and Illinois cases. Mr. Justice Field in his last opinion did not so much as refer to either of them, although he quoted copiously from the arguments of Conkling and Edmunds in the San Mateo case.

Both were taken to the Supreme Court. The first was dismissed upon the ground that there no longer existed a cause of action. (116 U. S., 138.) The second was a series of cases which were affirmed because the tax complained of was void under the constitution and laws of California, in consequence of which the fourteenth amendment to the Constitution of the United States was not involved at all, hence Justice Field's elaborate dissertations upon it in the court below were entirely outside the record. (118 U. S., 394, 417.)

To this result he submitted, but with poor grace.

I regret—

Said he (p. 422)—

that it has not been deemed consistent with its (the court's) duty to decide the important constitutional questions involved, and particularly the one which was so fully considered in the circuit court, and elaborately argued here, that in the assessment upon which the taxes claimed were levied an unlawful and unjust discrimination was made between the property of the defendant and the property of individuals, to its disadvantage, thus subjecting it to an unequal share of the public burdens, and to that extent depriving it of the equal protection of the laws guaranteed by the fourteenth amendment of the Constitution.

The learned justice then proceeds very frankly to say why his regret is so profound. He continues:

At the present day nearly all the great enterprises are conducted by corporations. Hardly an industry can be named that is not in some way promoted by them, and a vast portion of the wealth of the country is in their hands. It is therefore of the greatest interest to them whether their property is subject to the same rules of assessment and taxation as like property of natural persons, or whether elements which effect the valuation of property are to be omitted from consideration when it is owned by them and considered when it is owned by natural persons, and thus the valuation of property be made to vary, not according to its conditions or use, but acording to its ownership. The question is not whether the State may not claim for grants of privileges and franchises a fixed sum per year or a percentage of earnings of a corporation—that is not controverted; but whether it may prescribe rules for the valuation of property for taxation which will vary according as it is held by individuals or by corporations.

Mark, now, the prediction:

The question is of transcendent importance, and it will come here and continue to come until it is authoritatively decided in harmony with the great constitutional amendment which insures to every person, whatever his position, the equal protection of the laws.

The learned justice was not content with the decision of the court that the things he clamored against were prohibited by the constitution and laws of the State of California. He was eager to crystallize his construction of the amendment into the law of the land, and impatient of his inability to do so in the instant case, while prophesying with truth that the corporate interests of the land would persevere in their efforts until their interests and ambitions rested under the shadow of the "great amendment."

It is an axiom of the law that those parts of a decision which are obiter dicta or unessential to the decision itself are outside the case. They are not authoritative. They may be persuasive but nothing more. Hence Justice Field's pronouncements in the California Tax cases in the circuit court have no place in the domain of case law. Yet I do not hesitate to affirm that they have for over 30 years been the magazine from which most of the weapons have been drawn for the demolition of the Slaughterhouse and Illinois decisions. During that period I have tried many cases and read many briefs involving the Protean phases of the fourteenth amendment, and have yet to be confronted with one which does not find its ultimate lodgment in these opinions. They prevailed long before Justice Field passed away. He lived to see them triumphant, to see the fourteenth amendment "authoritatively decided in harmony" with his conclusions. And he also lived to invalidate the decisions of his own court for a hundred years sustaining the power of Congress to levy an income tax, and to deny that authority to the National Government. This he regarded as an assault on capital. He said in the Income Tax cases (157 U. S., 607):

The present assault on capital is but the beginning. It will be but the stepping-stone to others larger and more sweeping till our political contests become a war of the poor against the rich, a war constantly growing in intensity and bitterness. If the purely arbitrary limitation of $4,000 in the present law can be sustained, none having less than that amount of income being assessed or taxed for the support of the Government, the limitation of future Congresses may be fixed at a much larger sum—at five or ten or twenty thousand dollars—parties possessing an income of that amount alone being bound to bear the burdens of government, or the limitation may be designated at such an amount as a board of walking delegates may deem necessary.

The learned justice thus clamored against the exercise of a legislative power which through the exigencies of war or insurrection might become indispensable to the Nation's very existence; a power wielded by every other nation in the world, a power sustained by the court itself from the beginning of its history. But it was wholly inconsistent with his own point of view, which long before had become the standard of his judicial utterances.

The contrast between himself and his great associate is graphically portrayed in Justice Harlan's comment upon the majority view of the court in these cases:

I can not assent to an interpretation of the Constitution that impairs and cripples the great powers of the National Government in the essential matter of taxation and at the same time discriminates against the greater part of the people of our country. The practical effect of the decision to-day is to give to certain kinds of property a position of favoritism and advantage inconsistent with the fundamental principles of our social organization, and to invest them with power and influence that may be perilous to that portion of the American people upon whom rests the larger part of the burdens of the Government, and who ought not to be subjected to the dominion of aggregated wealth any more than the property of the country should be at the mercy of the lawless.

While my own judgment coincides with the correctness of Justice Harlan's view, I intend no aspersion of the motives or sincerity of those who, like Justice Field, entertained the opposite one. Both these great jurists were men of transcendent ability, of irreproachable character, of undoubted patriotism. Each believed in the integrity of his own and the unsoundness of the other's convictions. Each felt and portrayed the deplorable consequences which in his judgment must ensue from the prevalence of the adverse doctrine, and each asserted in the most vigorous English his own contention. They only represented and expressed from the bench that eternal contest between government by the few and by the many, between oligarchy and democracy, between Hamilton and Jefferson—a conflict which can not be adjusted, which began with the earliest glimmerings of popular government, and which will never end until the last shall wholly triumph.

It is no disparagement of Mr. Justice Field, but rather a tribute to his dominating personality and powerful intellect, to assert that through his persistency the fourteenth amendment to the Constitution of the United States has been largely substituted for the Constitution itself, that it is now far and away the most important if not the most vital portion of that great instrument, and that in exalting it to this position its guaranties of life and liberty have shrunken into comparative unimportance. No word has been written into or taken from its structure. Construction has been the magic wand of its transformation. But who that defends the right to thus change a statute can affirm that the courts may not, should their judgment so decree, thus qualify or enlarge the Constitution itself by the prevailing judicial practice of addition and subtraction? What argument can be advanced to support the one which does not as well apply to the other? Why may not the wisdom or the emergencies of the future demand the same heroic methods of treatment for both statutes and constitutions? Those who regard the courts as sacrosanct may shudder at the thought of such a sacrilege, but I have yet to learn that the usurpation of power by any ruler halts with the first assertion of its exercise. The usurper—executive, legislative, or judicial—never belonged to the stand-pat wing of any party. He is compelled by the very fact of his usurpation to move on. He is a progressive in spite of himself, and his goal is only attainable by repeated acts of added usurpation.

The question is not whether the judicial arm of the Government would or would not exercise so dangerous a prerogative if possessed of it. We may safely assume that it would not, especially as that arm is now constituted. The question is whether the existence of such a power anywhere is compatible with the institutions of the country, and whether modern expansions of judicial power are not leading up to it. Apprehension, suspicion, fear itself are admirable qualities in the citizens of a republic. When aroused by the action of the ruler, they become potent elements for the preservation of the country's institutions. I am always glad to see public sentiment inflamed when anything unusual in government occurs. I rejoice when protests and unfriendly criticism follow the action of the public servant, and more so when they are stimulated by omissions of public duty. These things manifest a healthy condition of the body politic. "Look not for a time," said Wendell Phillips, "when the people are quiet and safe. At such a time despotism like a shrouding mist steals over the mirror of freedom." The sea keeps pure because it is ever in agitation. And republics are possible only when the tides of public comment and criticism ceaselessly ebb and flow.

Nothing in recent years has so powerfully arrested public attention and directed it toward the growing power of the judiciary as the Standard Oil and Tobacco decisions. The average citizen caught his breath when he heard them. The press held them up to the public gaze and turned them around and around so that they could be seen from every direction. Learned lawyers and essayists condemned and commended them. Preceding decisions involving the same statute and announcing totally opposite conclusions became familiar to everyone. The order of their occurrence is so admirably outlined in pages 4 to 10, inclusive, of the committee's report that I ask permission to here incorporate them in my remarks.

The VICE PRESIDENT. Without objection, the matter will be printed as requested.

The matter referred to is as follows:

The committee selects for the purpose indicated the following cases, all of which arose under the statute now being considered:

United States *v.* E. C. Knight Co. (156 U. S., 1).
United States *v.* Trans-Missouri Freight Association (166 U. S., 290).
United States *v.* Joint Traffic Association (171 U. S., 505).
Hopkins *v.* United States (171 U. S., 578).
Northern Securities Co. *v.* United States (193 U. S., 197).
Standard Oil Co. *v.* United States (221 U. S., 1).
United States *v.* American Tobacco Co. (221 U. S., 106).
United States *v.* Union Pacific Railroad Co. (not yet reported, opinion delivered Dec. 2, 1912).

The committee does not give a statement of the facts in each of these cases, for to do so would greatly prolong the report, and it will be taken for granted that those who are interested in the subject are already familiar with the facts as they appear in the Supreme Court reports.

The rule of law announced in United States *v.* Knight Co. and in Hopkins *v.* United States is that a restraint of trade however unreasonable is not prohibited by the antitrust statute, no matter how general or disastrous the interference or restraint may be upon commerce among the States, unless it directly affects such commerce. There is a general understanding among the judges and lawyers of the country that the Knight case has been overruled or modified in subsequent decisions. Undoubtedly it can be fairly inferred from the recent opinions of the court in like cases that, if the facts of the case were now presented, it would be held that the restraint was direct; but the rule of law established has never been questioned by the court and has been emphatically reasserted in every prominent opinion hitherto rendered. The committee does not bring these cases forward for the purpose of disputing the soundness of the rule under existing legislation. Its object is to disclose, as clearly as possible, the scope of judicial discretion, and therefore of business uncertainty which it creates. In every prosecution under the act wherein there is proven or admitted a contract or combination which restrains trade among the States, the first thing that the court must ascertain and declare is whether the restraint is direct or indirect. In the Knight and Hopkins cases, and others of that type, it was held to be indirect. In the Northern Securities Co., Standard Oil Co., and American Tobacco Co. cases it was held to be direct. It is obvious that the opinion of any given man in any given case upon this question, whether he be judge or not, must depend largely, not upon his learning in the law but upon his training and bent in the economy of commerce. The result has been, and necessarily will be, that the law officer of the Government before he institutes a prosecution must determine whether the restraint is direct and immediate, and the court in order to decide the issue must employ the functions of the legislator rather than the lawyer.

The consequence is twofold: First, the Department of Justice will ignore a great many unlawful transactions because there will be doubt as to whether the interference with interstate or international trade is direct or indirect; second, the business community has found itself, and will find itself, in a state of uncertainty as to whether a particular transaction is to be judged by the law of the State or the law of the Nation. It is not claimed that this undefined and undefinable field of judicial discretion can be wholly occupied by legislation, but it is manifest that it is the duty of the legislative branch of the Government to circumscribe it within the closest practicable bounds. The committee will recur to this subject in connection with another aspect of the judicial power, and contents itself now with a statement of its conclusion that there should be further legislation specifically prohibiting certain forms of association, combination, or monopoly which admittedly restrain trade and commerce among the States and with foreign nations, but which may be held by the courts to be indirect or remote interferences.

The committee has first referred to the point just mentioned, not because it is first in importance but because it first arose. It now passes to another and more serious weakness in the law as now interpreted.

In the Trans-Missouri Freight Association case there developed a controversy among the members of the Supreme Court that was carried on with unabated vigor through the 15 years intervening between the opinion in the Freight Association case and the opinion in the Standard Oil Co. case. In this period the vicissitudes of life and the changes upon the bench which necessarily ensued converted the opinion of the court in the Freight Association case into a single dissenting opinion in the Standard Oil Co. case, and the dissenting opinion in the former case into the opinion of the court in the latter case. In the Freight Association case Mr. Justice Peckham, in delivering the opinion of the court, said:

"Second. The next question to be discussed is as to what is the true construction of the statute, assuming that it applies to common carriers by railroad. What is the meaning of the language as used in the statute that 'every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States or with foreign nations, is hereby declared to be illegal'? Is it confined to a contract or combination which is only in unreasonable restraint of trade or commerce, or does it include what the language of the act plainly and in terms covers, all contracts of that nature" (p. 327)?

The learned justice answered the question thus propounded many times and in great variety of phrase in the course of the opinion, and the committee quotes some of these answers.

"When, therefore, the body of an act pronounces as illegal every contract or combination in restraint of trade or commerce among the several States, etc., the plain and ordinary meaning of such language is not limited to that kind of contract alone which is in unreasonable restraint of trade, but all contracts are included in such language, and no exception or limitation can be added without placing in the act that which has been omitted by Congress (p. 328).

"But we can not see how the statute can be limited, as it has been by the courts below, without reading into its text an exception which alters the natural meaning of the language used, and that, too, upon a most material point, and where no sufficient reason is shown for believing that such alteration would make the statute more in accord with the intent of the lawmaking body that enacted it (p. 329).

"The arguments which have been addressed to us against the inclusion of all contracts in restraint of trade, as provided for by the language of the act, have been based upon the alleged presumption that Congress, notwithstanding the language of the act, could not have in-

tended to embrace all contracts, but only such contracts as were in unreasonable restraint of trade. Under these circumstances we are, therefore, asked to hold that the act of Congress excepts contracts which are not in unreasonable restraint of trade, and which only keep rates up to a reasonable price, notwithstanding the language of the act makes no such exception. In other words, we are asked to read into the act by way of judicial legislation an exception that is not placed there by the law-making branch of the Government, and this is to be done upon the theory that the impolicy of such legislation is so clear that it can not be supposed that Congress intended the natural import of the language used. This we can not and ought not to do (p. 340).

"The conclusion which we have drawn from the examination above made into the question before us is that the antitrust act applies to railroads, and that it renders illegal all agreements which are in restraint of trade or commerce as we have above defined that expression, and the question then arises whether the agreement before us is of that nature" (p. 341).

The issue was clearly joined by Mr. Justice White (now Chief Justice), who in his dissenting opinion, in which Justices Field, Gray, and Shiras concurred, thus stated the question:

"To state the proposition in the form in which it was earnestly pressed in the argument at bar, it is as follows: Congress has said every contract *in* restraint of trade is illegal. When the law says every, there is no power in the courts, if they correctly interpret and apply the statute, to substitute the word 'some' for the word 'every.' If Congress had meant to forbid only restraints of trade which were unreasonable it would have said so; instead of doing this it has said 'every,' and this word of universality embraces both contracts which are reasonable and unreasonable" (p. 345).

The distinguished justice begins his answer to the proposition just quoted as follows:

"I commence, then, with these two conceded propositions, one of law and the other of fact, first that only such contracts as unreasonably restrain trade are violative of the general law, and, second, that the particular contract here under consideration is reasonable, and therefore not unlawful if the general principles of law are to be applied to it" (p. 344).

Again:

"Its title is 'An act to protect trade and commerce against unlawful restraints and monopolies.' The word 'unlawful' clearly distinguishes between contracts in restraint of trade which are lawful and those which are not. In other words, between those which are unreasonably in restraint of trade, and consequently invalid, and those which are reasonable and hence lawful" (p. 352).

Again:

"If these obvious rules of interpretation be applied, it seems to me they render it impossible to construe the words 'every restraint of trade' used in the act in any other sense than as excluding reasonable contracts, as the fact that such contracts were not considered to be within the rule of contracts in restraint of trade was thoroughly established both in England and in this country at the time the act was adopted" (p. 354).

Again:

"Indeed, it seems to me there can be no doubt that reasonable contracts can not be embraced within the provisions of the statute if it be interpreted by the light of the supreme command that the intention of the law must be carried out, and it must be so construed as to afford the remedy and frustrate the wrong contemplated by its enactment" (p. 355).

It will be noted that but once in the dissenting opinion is the word "unreasonable" used to qualify the phrase "in restraint of trade." It is generally employed to qualify the word "contract." There is some difference between saying that there may be a reasonable interference with competition or freedom in trade or freedom to trade which did not, at the common law, constitute a restraint of trade, and saying that there can be, under our statute, a reasonable restraint of trade. But this was only the beginning.

Two years later the suit of the United States *v.* Joint Traffic Association came on for decision. Again Mr. Justice Peckham delivered the opinion of the court, and upon the point we are considering there seems to have been no change in the attitude of the members of the court toward it. It is instructive to observe, however, that in referring to Hopkins *v.* The United States, in which the opinion was handed down at the same term, the learned justice said:

"In Hopkins *v.* The United States, decided at this term, post, 578, we say that the statute applies only to those contracts whose direct and immediate effect is a retraint upon interstate commerce * * * the effect upon interstate commerce must not be indirect or incidental only" (p. 568).

Five years thereafter the well-known Northern Securities case was decided, and the struggle was renewed with intense earnestness. Mr. Justice Harlan rendered the opinion of the court, and this is the way he stated the question:

"Is the act to be construed as forbidding every combination or conspiracy in restraint of trade or commerce among the States or with foreign nations? Or does it embrace only such restraints as are unreasonable in their nature? Is the motive with which a forbidden combination or conspiracy is formed at all material when it appears that the necessary tendency of that particular combination or conspiracy in question is to restrict or suppress free competition between competing railroads engaged in commerce among the States? Does the act of Congress prescribe, as a rule for interstate or international commerce, that the operation of the natural laws of competition between those engaged in such commerce shall not be restricted or interfered with by any contract, combination, or conspiracy?" (p. 328).

In answering the question he probably goes a little further than Justice Peckham. He states as the conclusion to be drawn from former opinions of the courts:

"That the act is not limited to restraints of interstate and international trade or commerce that are unreasonable in their nature, but embraces all direct restraints imposed by any combination, conspiracy, or monopoly upon such trade or commerce; * * *. That every combination or conspiracy which would extinguish competition between otherwise competing railroads engaged in interstate trade or commerce, and which would in that way restrain such trade or commerce, is made illegal by the act; * * *. That to vitiate the combination, such as the act of Congress condemns, it need not be shown that the combination in fact results or will result in a total suppression of trade or in a complete monopoly, but it is only essential to show that by its necessary operation it tends to restrain interstate or international trade or commerce or tends to create a monopoly in such trade or commerce and to deprive the public of the advantages that flow from free competition (p. 331).

"Whether the free operation of the normal laws of competition is a wise and wholesome rule for trade and commerce is an economic question which this court need not consider or determine. Undoubtedly there are those who think that the general business interest and prosperity of the country will be best promoted if the rule of competition is not applied. But there are others who believe that such a rule is more necessary in these days of enormous wealth than it ever was in any former period of our history. Be all this as it may, Congress has in effect recognized the rule of free competition by declaring illegal every combination or conspiracy in restraint of interstate and international commerce" (p 337).

Mr. Justice Brewer was with the majority of the court in the Trans-Missouri Association case, and he concurred in the decision in the Northern Securities Co. case; but upon the question we are discussing he rejected the reasoning of Justice Harlan and adopted the views expressed by Justice White in the former case. He said:

"Instead of holding that the antitrust act includes all contracts, reasonable or unreasonable, in restraint of interstate trade, the ruling should have been that the contracts there presented were unreasonable restraints of interstate trade, and as such within the scope of the act. That act, as it appears from its title, was leveled at only 'unlawful restraints and monopolies.' Congress did not intend to reach and destroy those minor contracts in partial restraint of trade which the long course of decision at common law had affirmed were reasonable and ought to be upheld. The purpose rather was to place a statutory prohibition with prescribed penalties and remedies upon those contracts which were in direct restraint of trade, unreasonable, and against public policy. Whenever a departure from common-law rules and definitions is claimed, the purpose to make the departure should be clearly shown. Such a purpose does not appear and such a departure was not intended" (p. 361).

The Chief Justice and Justices White, Peckham, and Holmes dissented. Justice White, while discussing many phases of the relation between the General and the State Governments, finally rested his opinion upon the Knight case, holding that there was no direct restraint of interstate commerce. Justice Holmes, while concurring with Justice White, took occasion to say, in substance, that the method adopted by the defendants for the suppression of competition did not constitute a restraint of trade in the sense of the antitrust law.

With the Northern Securities case there terminated one distinct, striking period in the interpretation and application of the antitrust statute. It is needless to inquire at length whether or not the views of the court, as expressed in the opinions of Justices Peckham and Harlan, were in exact harmony with the common law as to the meaning or definition of the phrase "restraint of trade." Even if these learned judges were not quite successful in distinguishing the difference, at the common law, between a restraint of competition and a restraint of trade it still remains true that for more than 13 years repeated decisions of the highest tribunal of the country had declared that every contract or combination which prevented free competition was a restraint of trade, and that, if the restraint directly affected commerce among the States, then the contract or combination was unlawful, under the first section of the act.

Inasmuch as the committee is of opinion that legislation should be so clear in its terms as not to admit of unlimited judicial discretion, it pauses here a moment to point out just what the range of discretion was under the decisions ending with the Northern Securities case. It is manifest that the inquiry that the court was then required to make in each case was this: Has the evidence established a restraint of trade; that is to say, has the evidence established a contract or combination which interfered with free competition?

There was some, but not great, latitude for difference of opinion upon such an inquiry, and the uncertainty in the application of the law was reduced to a minimum; nor would the uncertainty have been much increased if the inquiry had been as to an unreasonable interference with free competition, which would have been the inquiry had the common-law understanding been strictly adopted by the Supreme Court.

If the more recent construction of the statute were in harmony with the earlier decisions, further legislation might nevertheless be required; but it is unnecessary to make the inquiry. That question is purely academic, for the later rulings have completely reversed the former ones, in so far as the phase of the subject now being discussed is concerned.

On the 15th day of May, 1911, the case of the Standard Oil Co. *v.* The United States was passed upon by the Supreme Court. Chief Justice White (formerly Justice White) delivered the opinion and reiterated, as the conclusion of the court, the views that he had so forcibly urged as a dissenter 15 years before. It was not necessary for the court to deal with the question at all, inasmuch as it found the defendants guilty of a restraint of trade under any and every meaning of the term, but for the very purpose, the committee assumes, of advising the country that a new rule had been adopted so that business might be guided by it, it was stated in the most emphatic way imaginable that the statute which declares that "Every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States or with foreign nations is hereby declared to be illegal" means that a contract or combination in order to be illegal must cause an undue restraint of trade. The following quotations from the opinion will need no comment:

"That in view of the many new forms of contracts and combinations which were being evolved from existing economic conditions, it was deemed essential by an all-embracing enumeration to make sure that no form of contract or combination by which an undue restraint of interstate or foreign commerce was brought about could save such restraint from condemnation. The statute under this view evidenced the intent not to restrain the right to make and enforce contracts, whether resulting from combination or otherwise, which did not unduly restrain interstate or foreign commerce, but to protect that commerce from being restrained by methods, whether old or new, which would constitute an interference that is an undue restraint" (pp. 59, 60).

Again:

"In other words, having by the first section forbidden all means of monopolizing trade—that is, unduly restraining it by means of every contract, combination, etc.—the second section seeks, if possible, to make the prohibitions of the act all the more complete and perfect by embracing all attempts to reach the end prohibited by the first section" (p. 61).

That the Chief Justice intended to announce a rule at variance with the declarations of Justice Peckham and Justice Harlan in the Trans-Missouri Freight Association and Northern Securities cases is made clear in the following extracts:

"The question is pertinent and must be fully and frankly met, for if it be now deemed that the Freight Association case was mistakenly decided or too broadly stated, the doctrine which it announced should be either expressly overruled or limited. * * * And in order not in the slightest degree to be wanting in frankness, we say that in so far, however, as by separating the general language used in the opinion in

the Freight Association and Joint Traffic cases from the context and the subject and parties with which the cases were concerned, it may be conceived that the referred to conflicts with the construction which we give the statute, they are necessarily now limited and qualified" (pp. 68, 69)

The learned Chief Justice contends that this rule of construction, which he repeatedly calls the "rule of reason," must be applied in order to prevent the entire overthrow of the statute.

It is one of the interesting things in our judicial history that so great had been the change in the personnel of the court that when the dissenting opinion of Justice White in 1896 became the opinion of the court in 1911 Justice Harlan was the only member remaining to protest against the reversal. He recorded his dissent in one of the most vigorous opinions that can be found in the reports, but for the purposes which the committee has in view it is not necessary to do more than to mention it.

Justice Harlan has passed away, and it may be assumed that the Supreme Court is now unanimously in favor of the doctrine so often and so ably promulgated by Chief Justice White. The rule was reasserted in the American Tobacco Co. case and has not since been questioned by any member of the court.

It is true that in the important opinion rendered in the suit of the United States *v.* The Union Pacific Railroad Co., Justice Day says:

"The act is intended to reach combinations and conspiracies which restrain freedom of action in interstate trade and commerce and unduly suppress or restrict the play of competition in the conduct thereof"—

Citing as authority the Joint Traffic Association case.

It is true also that the court quotes, with apparent approval, the following extract from Mr. Justice Harlan in the Northern Securities case:

"In all the prior cases in this court the antitrust act has been considered as forbidding any combination which by its necessary operation destroys or restrains free competition among those engaged in interstate commerce; in other words, that to destroy or restrict free competition in interstate commerce was to restrain such commerce."

But thereafter the court says:

"In the recent discussion of the history of the meaning of the act in the Standard Oil Co. and Tobacco Co. cases this court declared that the statute should be given a reasonable construction with a view to reaching those undue restraints of interstate trade which are intended to be prohibited and punished."

The fair conclusion is that it is now the settled doctrine of the Supreme Court that only undue or unreasonable restraints of trade are made unlawful by the antitrust act, and that in each instance it is for the court to determine whether the established restraint of trade is a due restraint or an undue restraint.

Whatever may be the opinion of the several members of the committee with respect to the soundness of the rule as now established, the committee as a whole accepts it as the present law of the land. It is profoundly convinced that, in view of the rule and its necessary effect upon the business of the country, the inherent rights of the people, and upon the execution of the statute it has become imperative to enact additional legislation.

Mr. THOMAS. True to his convictions, Justice Harlan again dissented from the reasoning, although accepting the conclusions of his brethren in these later cases. His opinion, Two hundred and twenty-first United States, page 106, should be carefully read by every man and woman in the land. He emphasized the fundamental proposition that Congress alone could amend its laws, that it had expressly refused to make the specific amendment to the antitrust act, which the Supreme Court had determined to make on its own account, and closed his discussion with the solemn warning that—

after many years of public service at the National Capital, and after a somewhat close observation of public affairs, I am impelled to say that there is abroad in our land a most harmful tendency to bring about the amending of constitutions and legislative enactments by means alone of judicial construction.

I think I have used no more forceful language, up to this time at least, Mr. President, than that employed by the learned justice. He continued:

The supreme law of the land—which is binding alike upon all, upon Presidents, Congresses, the courts, and the people—gives to Congress, and to Congress alone, authority to regulate interstate commerce, and when Congress forbids any restraint of such commerce in any form all must obey its mandate. To overreach the action of Congress merely by judicial construction—that is, by indirection—is a blow at the integrity of our governmental system, and in the end will prove most dangerous to all.

In a special message of July 7, 1910, to Congress President Taft said:

It has been proposed, however, that the word "reasonable" should be made a part of the statute, and then that it should be left to the courts to say what is a reasonable restraint of trade, what is a reasonable suppression of competition, what is a reasonable monopoly. I venture to think that this is to put into the hands of the court a power impossible to exercise on any consistent principle which will insure the uniformity of decision essential to just judgment. It is to thrust upon the courts a burden that they have no precedents to enable them to carry, and to give them a power approaching the arbitrary, the abuse of which might involve our whole judicial system in disaster.

Truer and wiser words were never uttered. Coming from such high authority they were entitled to unusual weight. They preceded the decisions by more than a year. When these came they contained no indication that the President's counsels had ever been heard, much less considered, by the majority of the court.

Having emphasized the evils associated with the judicial administration of the statute, and having declared that the amendment if made by Congress would impose upon the courts the duty of administering it, the country very naturally expected from the President some expression of disappointment if not of disapproval of the court's announcements. But with an easy complacence worthy of Polonius he hastened to express his approval of them. He voiced his satisfaction with their conclusions quite as vigorously as he had previously asserted his objections to them. They seemed to him to be consonant with the text of the law as they would be useful in the determination of future controversies arising under it. I do not wish to speak unkindly of our former Executive whose genial and companionable traits of character appealed strongly to all who came in contact with him and whose sincere desire to properly discharge the duties of this great office does not admit of question. But the best intentions are valueless when companioned by weakness and vacillation. The Executive who counsels with earnestness and with wisdom, but who applauds when his counsels are flatly rejected, can not long enjoy the confidence of the people or the respect of his coordinates. The President's change of front regarding this most important statute was one of the most unfortunate if not the most conspicuous of the many shifting policies of his administration, for it gave Executive sanction to a piece of judicial legislation against the enactment of which by Congress he had strongly and successfully protested. Moreover, he officially recognized the right of the courts to make and alter the laws of the Nation by judicial decree. The people were amazed at this inconsistency; they resented it, and their disapproval found subsequent expression in public discussion at the primaries, in the national conventions, and at the polling places. They have been impelled beyond all these. As the source and depository of all political power, they are asserting their right to finally determine for themselves the validity of the laws which their representatives make and which their courts transform. When they established this Government they divided its authority into three departments, coequal and coordinate. They do not view the usurpation by one of these departments of an authority conferred by them upon another with equanimity, and will prevent it if they can. They believe they can do so by setting these usurpations aside. That these acts of usurpation are called judicial decisions is beside the question. That does not detract from their inherent character nor mitigate their consequences.

The people are therefore beginning very seriously to consider whether they shall not appeal from these decisions to themselves and set them aside as they assume to set aside or reconstruct the laws of the land. Whether the people shall finally resolve to assert this right depends largely upon the courts themselves and upon such action as the Congress may take or may decline to take in the premises. It may be that the equilibrium between the departments can not be maintained; that the needs of the country have outgrown its continuance; that experience has demonstrated its impracticability. But if it is to be modified or readjusted or overthrown, we may be sure that the people will themselves ultimately so determine and rearrange the distribution of power as they shall deem desirable or necessary. Whether the process they adopt for the readjustment is to be the recall of decisions or some other process is unimportant. The fundamental factor in the equation is their right to make and enforce their own laws as a majority of themselves shall decide.

If Congress offends the electorate by running counter to its will, its Members may be recalled at the polls. If the President offends the electorate, he is shorn of his power by a withdrawal of popular confidence, and goes to the scrap heap at the end of his term. But if the courts persist in making or changing laws the people must seek other remedies, for the judges owe no tenure to the people. Between the courts and omnipotence nothing substantial intervenes. What, then, shall be done? The answer is obvious. It has been given, and the recall of decisions is on the high road of things that are to be.

I know full well that this power may be subject to abuse, but not more so, not as much so, in truth, as the abuse that has summoned it to the service of freemen. I know that the courts may be more deliberate than the mass, but the results of deliberation do not quicken and spread abroad the sense of injustice unless they be wrong. I know that the people in mass is called the mob, but the reproach is a slander on popular government. The people are always conservative. It was "the mob" which resisted the oppressions of the Crown, which sustained the newborn American Government, which condemned and overthrew the institution of slavery, which resists the encroachments of present-day plutocracy, and which is in rebellion against the exercise of political authority by the courts.

If those who decry or dread the potency of the recall can devise a better means of confronting and overthrowing this last manifestation of absolutism in a Republic, they owe it to themselves and the people to conceive and bring it forth, for the time for action seems at hand.

Solomon said there was nothing new under the sun. The assertion of the recall does not conflict with the wise man's

precepts. It is a new name for an old theory; a new method of applying an old remedy. The right has been successfully asserted several times in our history. In Cohens *v.* Virginia (6 Wheat., 264) the Supreme Court held that it had appellate jurisdiction of a controversy in which a State was a party. The people promptly recalled the decision by adopting the eleventh amendment to the Constitution.

The alien and sedition laws were Dead Sea fruits of the first Adams administration. They were offensive to the people of that era. They were not in touch with the spirit of our newly founded Republic. They were vigorously and effectively enforced by grand juries and by the courts. They aroused the implacable hostility of the masses, who rose in revolt against them. The people overturned the administration which was responsible for them, destroyed the party which enacted them, and then struck them from the statute books. They recalled the President, the Congress, and the laws themselves. During the progress of their political battle they were called mobs, rioters, and the rabble, unfit for self-government, and a menace to all forms of law and order. Their leaders were stigmatized as demagogues and charlatans, appealing to the baser instincts of the multitude for the gratification of ignoble and dangerous ambitions. But the cause was the old one of privilege against the masses in one of its many forms, and the masses won. The recall became effective, and the abuse against which it was then directed was swept aside.

In Dred Scott *v.* Sanford (19 How., 393) it was held that Congress could not lawfully exclude slavery from the Territories. This decision was recalled by the people, speaking through the rattle of musketry and the thunder of cannon during four long years of strife and bloodshed. They achieved their purpose at an appalling sacrifice of blood and treasure, and crystallized their ultimate decree in the thirteenth amendment to the Constitution.

It was held in the Income Tax cases that the Nation was without authority to raise revenues by that method. The sixteenth amendment has recalled the edict, and until some other decision shall narrow its purpose or deny its efficacy the General Government may lay the burdens of its operations upon wealth as readily as upon consumption.

I realize the force of the criticism that recall by constitutional amendment is the exercise of a fully conceded authority, while recall by popular vote is wholly beyond and above the recorded ways. But we can not amend the Constitution with the occurrence of every bad decision. The process is a tedious and involved one. It is not always possible of accomplishment. Nor can we longer rely upon its efficacy, for if laws can be interlined by judicial decree, so may constitutions be interlined. As laws have been made over by judicial construction, so clauses of the Constitution have been made over by judicial construction. The progress of a malady frequently makes ordinary remedies useless; the good physician resorts to more effective albeit more unusual ones when such an emergency confronts him.

The people of Great Britain and of her transoceanic dependencies, ourselves excepted, enjoy the blessings of liberty to a larger degree than any other nation. Their laws when enacted by Parliament are supreme. Their freedom needs no judicial guardian. They possess and exercise the power of recall. No majority of Parliament hostile to their will can survive. No serious division between their ministry and their commons can arise without being followed by a referendum. There the so-called mob hears, judges, decides, and acts for itself. Must we, their descendants, the inheritors of their institutions, shrink from the application of the same expedients when demanded by public exigency because conservatism retreats into its corner and protests against innovation?

Mr. OWEN. Mr. President, if it will not interrupt the Senator, I should like to call his attention to the fact that the British Parliament since 1701, by the act of settlement, has exercised substantially the right to recall judges, and since that time they have had no trouble with their judges. Forty-eight of the States of the United States have two ways of removing judges. Thirty-six of the States have three ways of removing or recalling judges, and three States have four ways of removing judges. The United States can only recall by impeachment, a useless remedy except against criminal conduct.

Mr. THOMAS. I thank the Senator for his interruption.

The Rev. Myron Reed, a famous preacher of Denver, once said that the people might not always be right, but they always wabbled in the right direction. All of us, collectively, are the people, but the mass consists of those whom Lincoln called the common people, and whom he said the Lord loved, else he would not have made so many of them. These have always constituted the bone and sinew of the country, the very warp and woof of the national fabric. They make and mold the sentiment of the times. They shape our lines of action. They hold the Republic in the hollow of their hands. It is these people who are concerned in preserving our institutions, who are fully alive to the evils of the assertion and exercise of absolute power by any but themselves, and who propose in some effective manner to counteract its last and most sinister manifestation.

The proposal to strike from a statute a word not appearing upon its face is concededly paradoxical. It will doubtless be regarded by some as impossible; by others as absurd. Were conditions otherwise than as we know them to be, both these conclusions would be correct. But the law that is written upon the statute books is not the law that is enforced by the courts. They have rewritten it, and their record of the law supplants that of Congress for every practical and substantial purpose. As enacted by Congress, all restraints of trade were outlawed. As rewritten by the court, unreasonable restraints of trade are alone prohibited. The anomaly involved in the legislative repeal of an interpolated word is no more remarkable than was its insertion into the law by judicial enactment. The proposed repeal is nothing more than legislative restoration of the law to its normal status. If the act seems extraordinary, it must be remembered that the occasion requiring it is more so. If the method of our procedure is without precedent, it is because the exigency confronting us is of similar character. If we can not repeal the amendment of a national statute because the courts made the amendment, it must be equally apparent that the courts were without power to make it, and it is therefore void.

On the other hand, if such authority be lodged in the courts, any change they see fit to make in the laws is valid and binding upon all men. If that be true, the legislative power to amend and to repeal the laws extends to such changes as well as to the laws of its own creation. You can not deny to Congress the right to strike words out of a statute when inserted by judicial decree if you concede to the courts the power to so insert them. And the fact that the insertion does not appear upon the face of the law furnishes the strongest possible argument in support of the right to strike it out, for the law must be certain, explicit, and intelligible. All men are presumed to know it. None can plead their ignorance of it. Yet how can the law be known if its language is a lie and its recitals a mockery? The laws of Draco were suspended so far above the people that they could not read and therefore could not know them. All men have access to ours, but some of them mislead the reader, albeit their contents seem clear. To make them certain, to keep them explicit, every change in their structure or their substance should appear upon the statute books, and not buried under the ponderous phraseology of learned judicial opinions.

The amendment which I have proposed is demanded by the underlying principle of equality. Laws to be respected and effective must be impersonal and impartial. They must extend to and embrace all men alike. If aimed at particular classes, they must affect alike all members thereof. Failing this, they cease to be laws. They are pronouncements only. They crush some while exempting others. Their operation is spasmodic, fitful, and dependent upon conditions or contingencies whose existence or absence is determined by extraneous forces. They are invested with every element of painful uncertainty. Those who are immune to-day are to-morrow on the deadly circuit of their influence. Such a law is unworthy of a despotism; it should be impossible in a republic.

Such in effect, nevertheless, is our so-called Sherman law since the Standard Oil and Tobacco decisions. It is no longer of uniform operation. It is a yardstick that shrinks or stretches whenever invoked for public or private protection. It is controlled by a higher law called the rule of reason. This rule is lodged in the minds and is evolved from the mental processes of the judges. It holds the statute in solution and precipitates it or fails to do so, as every given case appears to warrant or require. Men can not safely embark in new enterprises or continue old ones while these uncertain and fitful conditions exist. That certainty of object and of expression which every statute should possess, that knowledge of their requirements and of the consequences of their breach to which every citizen is entitled, and that uniformity and impartiality of operation without which laws are tyrannies, oppressive, and unjust unite in demanding the immediate restoration of this important law to its original form and purpose. If this can not be done, it should be repealed unconditionally.

The people are seldom radical. They are law-abiding. They do not abuse their strength. They have never menaced any of the powers which they have delegated to their rulers. Every peril we have encountered, every abuse of authority, every perversion of the laws to untoward purposes, have proceeded from those who decry the populace, denounce them as mobs,

deny their right to govern themselves. Two years ago the mayor of New York City said:

> No one, however rich, need ever be afraid of the people. The people are not revolutionary by nature. They are never dishonest. Even in the French Revolution, when they destroyed prisons and fortresses, not a bank was looted. The Bastile was torn down, but the Bank of France remained undisturbed.

It is, of course, true that the people of France in the frenzy of the moment, with centuries of oppression behind them and with power to avenge their accumulated wrongs, indulged in wild excesses of retaliation. But we must remember that it was the same people who visited stern justice upon the heads of their own monsters, and that the French Revolution has by the long since recorded verdict of posterity been recognized as the greatest single step forward in the history of civilization. And while we fervently pray and fondly hope that the recurrence of such an event may never mark or mar the progress of the race, we must realize that the surest method of its avoidance is to recognize and remove the causes which wrought the great upheaval.

The right to sit in ultimate judgment upon the validity of our laws rests and should rest with the people. They possess all power not delegated to the Government. They have expressly reserved it. They never delegated to any department the power to set aside the laws made by their representatives, unless they delegated it indirectly or by necessary implication. But that could not be, for their delegates to the constitutional convention several times declined to do so by express action. If its possession by any department is essential to the existence or the continuance of the Government, they should delegate it. But they can not be estopped from denying that they have indirectly done so merely because they have so long submitted to its assumption and exercise. And since evolution has transformed the judiciary into a law-making body, a condition has been evolved which the body of the people will meet and overcome if Congress does not do so. We must therefore rise to the occasion lest we fall with it. Should we fail to act, ours will then be the responsibility.

The most sinister effect of these decisions upon the public mind, and which I deplore as much as anyone, is the strength they have added to the apprehension that the Federal courts lean toward privilege and away from the masses. Those who so believe ground their faith upon the antecedent decisions involving the same statute upon the shelter afforded to centralized industries by the provisions of the fourteenth amendment as construed and enforced, by the gravitation of practically all controversies affecting corporate action and organization to the Federal jurisdiction, and by the general trend of Federal decisions. However much these views may be condemned the fact that they are entertained and expressed by a constantly increasing number of men and women in every section of the Union is so obvious that it can not be overlooked. However well or ill founded the sentiment may be, we must reckon with and do what we can to correct it. Yet this is not merely difficult; it is impossible while they can find support in the decisions which are the equivalents of legislation, which relieve Congress of the consequences of enacting bad laws, if they are bad, by shaping them to the judicial view, and which deprive them of the merit of enacting good laws, if they are good, by recasting them into the judicial molds. The people must believe in the courts though they lose faith in all other governmental agencies, if the Republic shall endure. They will so believe so long as the courts conform both in the letter and the spirit to the limitations of the Constitution. If the popular confidence is ever wholly lost, the fault will not be theirs. It will be embedded in the history of the national jurisprudence, in the unfolding and the progress of its extension of power through the exercise of political authority, disguised under the forms of judgments and decrees.

Mr. President, since preparing my remarks upon this bill my attention has been called to Document 1106 of the Senate, a speech of Mr. Justice Holmes, delivered at a dinner of the Harvard Law Association in New York. I find among other admirable sentiments a passage that seems to me to be peculiarly apposite to this branch of the discussion. He says:

> It is a misfortune if a judge reads his conscious or unconscious sympathy with one side or the other prematurely into the law, and forgets that what seem to him to be first principles are believed by half his fellow men to be wrong. I think that we have suffered from this misfortune, in State courts at least, and that this is another and very important truth to be extracted from the popular discontent. When 20 years ago a vague terror went over the earth and the word socialism began to be heard, I thought and still think that fear was translated into doctrines that had no proper place in the Constitution or the common law. Judges are apt to be naif, simple-minded men, and they need something of Mephistopheles. We, too, need education in the obvious—to learn to transcend our own convictions and to leave room for much that we hold dear to be done away with short of revolution by the orderly change of law.

Coming from such a high and pure source, Mr. President, I think I am justified in saying that it outlines a thought which has frequently occurred to me that the fear of something that is to come, which is expressed either by the word "socialism" or by some of its equivalents, has unconsciously, perhaps, thrown an influence about and around the judges of the courts as well as legislators and societies which expresses itself in preventing by some anticipatory course the things which are thus dreaded. Many decisions have been rendered which never ought to have been rendered, because they do not conform with the letter and spirit either of statutes or of constitutions. The singular thing is that history has not taught eminent men everywhere the great truth that nothing can arrest, although many things may impede, the general progress of humankind and the onward march of civilization. This fact is well expressed by the recent historian of the Roman Empire, who says that "when the times are ripe for great political changes neither parties nor statesmen can alter the stern logic of facts."

Mr. NEWLANDS. Mr. President, would it interrupt the Senator if I would put a question to him, or would he prefer to wait until he has completed his remarks?

Mr. THOMAS. If it is merely a question, I would be glad to answer it.

Mr. NEWLANDS. It is a question that involves a short discussion.

Mr. THOMAS. Then I would prefer to finish, because I have already consumed more time than I should have done.

Mr. NEWLANDS. I will question the Senator, then, with his permission, at the close of his speech.

Mr. THOMAS. So far as I am concerned, the Senator may do so, if the Senate will bear with us.

It has therefore seemed to me pertinent to introduce the bill to which my remarks have been directed, and which proposes to repeal the amendment of the so-called Sherman Act by the decisions in the Standard Oil and Tobacco cases, restore the law to its original phraseology, and take from the courts the power of future legislation upon the subject. That Congress has power to do this does not admit of doubt. That by so doing and by further legislation qualifying and restricting the appellate power of the Circuit and Supreme Courts, Congress can remove practically all the evils demanding the recall of decisions by popular vote seems to me reasonably clear. We may thus satisfy all sorts and conditions of men, including those who favor and those who fear this efficient weapon of modern political warfare.

The power to enact laws includes the power to amend or to repeal existing ones. This power has in recent times been unsuccessfully challenged in those States which have adopted the initiative and referendum as regards laws enacted by direct legislation. I know of no exception to it save as to laws relating to the issue of bonds and securities which are contractual in their nature and which are frequently made nonrepealable until the obligations created by them shall have been discharged. The fact that the courts have amended a statute should prompt instead of deter legislative action concerning it.

Surely an amendment so effected can not operate both to change the law and render it immune to legislative action, especially when, as here, the judicial amendment is one which the legislative body expressly refused to enact and one which largely defeats the purpose of the law by making its operation depend upon the court's own view of each particular case as it arises thereunder. For since this amendment nobody knows nor can know what the law against combinations in restraint of trade is. The law is what a majority of judges may determine it to be from time to time, and a majority of the judges on the bench to-day may not be the same majority next year. A majority of the judges thought very differently about the law three or four years ago. A future majority may go back to the previous opinions or reject all of them for some other and different one. This is a situation where the law and the discretion of the court are identical, and all because it has inserted the word "unreasonable" into the body of the law—a word general and indefinite in its meaning, one which defies the lexicographers and illustrates the epigram of George Eliot that we are sometimes unable to define a thing in language except by defining and distinguishing it from something else. Let us, therefore, bring order out of this chaos by restoring the statute to its original structure and prohibiting all future alterations of it save as they may be made by ourselves.

This action should be accompanied by a prohibition upon all the courts against any further or other alteration of the phraseology of the statute, a precaution equally desirable in all future legislation relating to the same subject, bills concerning which will, I presume, receive the early consideration of the Senate. Our refusal to do this will subject future laws to the same judi-

cial perils which the pioneer statute has encountered and in the end may be made to express not what we meant but what the courts believe we should have meant.

The almost limitless range of the jurisdiction of the Federal courts should be restricted in the early future, and the appellate powers of the Supreme and circuit courts should be regulated without delay if we would check the rising tide of popular demand for the recall of decisions. I have said that the authority of the Supreme Court to alter a law on appeal rests upon acts of Congress. This is a fact with which all lawyers are familiar. As Congress gave so it may take away the unlimited right of review. It has done so in the past; the events of recent times require that it should do so again.

Section 2 of Article III of the Constitution declares that:

In all cases affecting ambassadors, other public ministers, and consuls, and those in which a State shall be party, the Supreme Court shall have original jurisdiction. In all other cases before mentioned the Supreme Court shall have appellate jurisdiction, both as to law and fact, with such exceptions and under such regulations as the Congress shall make.

This clause confers appellate jurisdiction upon the Supreme Court, but the extent and mode of its exercise is left to the discretion of Congress. The latter may therefore impose, and has at all times imposed, such limitations upon the right of review as has seemed just and proper. Its power to do so has always been recognized.

It will be safest—

Said Hamilton—

to declare generally that the Supreme Court shall possess appellate jurisdiction, both as to law and fact, and that this jurisdiction shall be subject to such exceptions and regulations as the National Legislature may prescribe. This will enable the Government to modify it as will best answer the ends of public justice and security. (Federalist, No. 81.)

When, in 1788, the Virginia convention assembled to ratify or to reject the proposed Federal Constitution, Patrick Henry argued earnestly against its adoption. One ground of his opposition was the rticle relating to the judiciary. He feared the extent to which the power therein conferred might be carried, and foresaw the annulment of laws enacted by the people's representatives. He warned his countrymen against the proposed Federation, and apprehended the possibility of forcible resistance to the aggressions of the Central Government.

Old as I am—

He said—

it is probable I may yet have the appellation of rebel.

It was John Marshall, afterwards the great Chief Justice, who opposed him and who reassured the convention. Said he:

The honorable gentleman says that no law of Congress can make any exception to the Federal appellate jurisdiction of facts as well as law. He has frequently spoken of technical terms and the meaning of them. What is the meaning of the term "exception"? Does it not mean an alteration and diminution? Congress is empowered to make exceptions to the appellate jurisdiction as to law and to fact of the Supreme Court. These exceptions certainly go as far as the legislature may think proper for the interest and liberty of the people. (Elliot's Debates, vol. 3, p. 559.)

In his Lectures on Constitutional Law, Justice Miller (p. 345) says:

The Congress, therefore, can control very largely the appellate jurisdiction of the United States Supreme Court. It has been done so by passing laws at various times regulating that jurisdiction. One of its earliest enactments upon the subject was that no ordinary suit between individuals could come to the Supreme Court for revision unless the amount involved was over $2,000. It is now $5,000, and it has been urged that this should be enlarged to ten or twenty thousand dollars, either by the creation of some intermediate appellate tribunal or otherwise.

Judge Cooley declares in his Principles of Constitutional Law (p. 177) that—

The two very effective restraints which the legislature may interpose to the abuse of executive and judicial authority are: First, that which consists in the control over their jurisdiction; and second, the proceeding of impeachment. Much of executive authority comes, not from the Constitution, but from statute, and what is thus given may at any time be taken away. The same is true of the courts. Some of them are purely statutory courts and may be modified or abolished; all of them derive the most of their jurisdiction from statutes, and whenever this is abused it can be restricted or taken away. But it may also be modified or taken away on grounds of expediency or policy merely.

And Justice Story adds the weight of his great authority to the proposition in this language:

The appellate powers of the Supreme Court are not given by the judicial act of 1789. They are given by the Constitution. But they are limited and regulated by that act and other acts on the same subject. And when a rule is provided all persons will agree that it can not be departed from. (2 Story Con., 1773.)

If the power of Congress to strip the courts of appellate jurisdiction ever admitted of doubt, it was dispelled by the case of Ex parte McCardle and the legislation which determined and disposed of it. The student of American history will discover nothing of greater interest and importance than the events comprising that unique controversy, which illuminates with flash-light brilliancy the authority of the Congress to abridge the political attributes of the judiciary by laying an interdict upon the sources of its origin.

This case, like the fourteenth amendment, was an outgrowth of the Civil War. Among the acts of reconstruction was one which divided the Southern States into 10 military districts, the chief administrative heads of which were officers of the Army. This, like all the acts of reconstruction, was bitterly contested, not alone by the people of the South but by the President and his advisers. Under its operation northern as well as southern citizens were arrested for alleged offenses and their lives were placed in jeopardy. To relieve this unlooked-for condition the act of February 5, 1867, was passed, giving the right of appeal to the Supreme Court in habeas corpus proceedings arising under the reconstruction act. One W. H. McCardle, the editor of a newspaper in Mississippi, having been arrested on complaint charging him with libel and inciting to insurrection, availed himself of the benefits of the act, petitioned unsuccessfully for the writ, and appealed therefrom to the Supreme Court. His appeal was founded upon the contention that the reconstruction acts of Congress were unconstitutional and therefore void.

Popular sentiment voiced the impression that the Supreme Court would so decide, in which event the entire fabric of reconstruction would collapse, and with it the fortunes of the party which erected it. But that party controlled both Houses of Congress by formidable majorities, and their leadership was in the hands of the ablest men of the Nation. If the danger which menaced the very life of the party could be avoided by legislation, the pathway could be readily cleared. If not, the country must await the predicted catastrophe.

The leaders of the majority rose to the occasion. They invoked the authority conferred upon Congress by article 3, section 2 of the Constitution and determined to destroy the appellate jurisdiction of the Supreme Court over the McCardle case. They accomplished their purpose by adding a short section to a pending bill, providing for writs of error to the Supreme Court in suits against revenue officers. This section merely repealed so much of the act of February 5, 1867—

as authorizes an appeal from the judgment of a circuit court to the Supreme Court of the United States, or the exercise of any such jurisdiction by such Supreme Court on appeals which have been or may hereafter be taken.

This measure naturally evoked vindictive opposition, but was passed, vetoed, and passed over the veto, thus becoming a law; after which a rehearing of the McCardle case was granted. Counsel for appellant earnestly contended against the power of Congress to legislate a case out of the jurisdiction of the Supreme Court which had been taken there under existing laws, which had been argued and submitted, and which was on the eve of final decision, especially when such legislation, though general in terms, was notoriously and avowedly designed by its authors to affect that particular case. He said:

This court is coexistent and coordinate with Congress, and must be able to exercise the whole judicial power of the United States, though Congress passed no act on the subject. The judiciary act of 1789 has been frequently changed. Suppose it were repealed. Would the court lose, wholly or at all, the power to pass on every case to which the judicial power of the United States extended? This act of March 27, 1868, does take away the whole appellate power of this court in cases of habeas corpus. Can such results be produced? We submit that they can not, and this court, then, we further submit, can go on and pronounce judgment on the merits, as it would have done had not the act of March 27 been passed.

This case had been argued in this court fully. Passing then from the domain of the bar, it was delivered into the sacred hands of the judges, and was in the custody of the court. For aught that was known by Congress it was passed upon and decided by them. Then comes, on the 27th of March, this act of Congress. Its language was general, but as was universally known its purpose was specific. If Congress had specifically enacted "that the Supreme Court of the United States shall never publicly give judgment in the case of McCardle, already argued, and upon which we anticipate that it will soon deliver judgment contrary to the views of a majority in Congress of what it ought to decide," its purpose to interfere specifically with and prevent the judgment in this very case would not have been more real or, as a fact, more universally known. Now, can Congress thus interfere with cases on which this high tribunal has passed or is passing judgment? Is not legislation like this an exercise by the Congress of judicial power?

A more signal instance of deliberate interference with the decision of a specific existing controversy can not well be imagined. The law was retroactive in its operation, and intended to be so, since it deprived the court of jurisdiction duly acquired before its enactment; it was so designed because the law-making power apprehended the nature and dreaded the results of a decision perhaps already agreed upon. The court might with much reason and certainly with a large degree of contemporary popular approval have declined to recognize the ex post facto feature of the statute while bowing to the mandate in futuro, but it did not do so. The statute was

recognized in its entirety by a unanimous bench, and the right of Congress to make exceptions to and regulate the appellate jurisdiction of the court, both as to pending and to future controversies, was fully upheld.

It is quite true—

Said the Chief Justice, speaking for the court—

as was argued by counsel for the petitioner, that the appellate jurisdiction of this court is not derived from acts of Congress. It is, strictly speaking, conferred by the Constitution. But it is conferred "with such exceptions and under such regulations as Congress shall make." It is unnecessary to consider whether, if Congress had made no exceptions and no regulations, this court might not have exercised general appellate jurisdiction under rules prescribed by itself. For among the earliest acts of the First Congress, at its first session, was the act of September 24, 1789, to establish the judicial courts of the United States. That act provided for the organization of this court, and prescribed regulations for the exercise of its jurisdiction. The source of that jurisdiction and the limitations of it by the Constitution and by statute, have been on several occasions subjects of consideration here. In the case of Durousseau *v.* The United States (6 Cranch, 312) particularly the whole matter was carefully examined, and the court held "that while the appellate powers of this court are not given by the judicial act, but are given by the Constitution," they are nevertheless "limited and regulated by that act, and by such other acts as have been passed on the subject." The court said further that the judicial act was an exercise of the power given by the Constitution to Congress of making exceptions to the appellate jurisdiction of the Supreme Court. "They have described affirmatively," said the court, "its jurisdiction, and this affirmative description has been understood to imply a negation of the exercise of such appellate power as is not comprehended within it."

The principle that the affirmation of appellate jurisdiction implies the negation of all such jurisdiction not affirmed having been thus established, it was an almost necessary consequence that acts of Congress providing for the exercise of jurisdiction should come to be spoken of as acts granting jurisdiction and not as acts making exceptions to the constitutional grant of it. The exception to the appellate jurisdiction in the case before us, however, is not an inference from the affirmation of other appellate jurisdiction. It is made in terms. The provision of the act of 1867 affirming the appellate jurisdiction of this court in cases of habeas corpus is expressly repealed. It is hardly possible to imagine a plainer instance of positive exception.

We are not at liberty to inquire into the motives of the Legislature. We can only examine into its power under the Constitution, and the power to make exceptions to the appellate jurisdiction of this court is given in express words.

What, then, is the effect of the repealing clause upon the case before us? We can not doubt as to this: Without jurisdiction the court can not proceed at all in any cause. Jurisdiction is power to declare the law, and when it ceases to exist the only function remaining to the court is that of announcing the fact and dismissing the cause. And this is not less clear upon authority than upon principle. It is quite clear, then, that this court can not proceed to pronounce judgment in this case, for it has no longer jurisdiction of the appeal, and judicial duty is not less fitly performed by declining ungranted jurisdiction than by exercising firmly that which the Constitution and the laws confer. (7 Wall., 512–514.)

The appeal was therefore dismissed, and since all others arising under the same laws were prohibited the latter continued in full force and operation until they had effectuated their purpose. They may have been invalid. Congress may have exceeded its powers in enacting them, but it made its will effectual by depriving the judiciary of all power to place its veto upon them. The time is at hand when it should place a similar restraint upon the courts with reference to its existing and prospective antitrust legislation. It will thus destroy the incentive to delay the operation and defeat the requirements of such laws by litigation challenging their validity and designed to substitute the social and economic views of the judges for those of the Nation. It will thus put an end to the transfer of the administrative functions of these laws from the executive to the judicial department, a transfer which is not only opposed to our theory of government but which renders them practically ineffective. For it is self-evident that if each alleged violation of the laws must go through all the tedious processes of litigation, and then be disposed of upon its own particular facts, their operation is blocked through the sheer inability of the courts to dispose of them. Moreover, each instance becomes a law unto itself, and the statute instead of being a rule of conduct may become a juggler's wand, performing wonders that serve to amaze and deceive. The counsel of St. Paul to be all things to all men should never operate as a rule of construction for the written laws of a self-governing people.

Judicial administration is not only uncertain and variable in its operation but tedious and expensive as well. The record in the Standard Oil case embraces about 12,000 pages of printed matter bound in 23 volumes. This consisted for the most part of testimony involving transactions covering a period of some 40 years. It was begun in November, 1906, and ran over a period of nearly 5 years. The Tobacco case presents a similar condition, having been commenced in July, 1907. The expense attending their prosecution was prodigious. Other equally important proceedings arising under the same law are dragging their slow length along, and generations may come and go while the long procession of offenders against the law marches wearily from the commencement of suits against them in the trial court to the court of last resort. The interval is apt to be occupied with proposed changes in the law, with certain changes of sentiment as to its efficacy, with profound distrust of those public officials charged with its enforcement, but hampered by the pitfalls and technicalities of judicial procedure. The first pronouncement, however compliant with the purpose of the statute, is apt to be attended with reasonings not at all in accord with previous ones emanating from the same source, and this stimulates dissatisfaction as it begets lack of confidence in the wisdom of the bench. Every argument conspires for the withdrawal of the administration of these laws from the courts, and this can be effectuated only by denying their right to invalidate or to review them.

The majority report of the committee declares that if the prevailing method "continues in force the Federal courts will, as far as restraint of trade is concerned, make a common law for the United States, just as the English courts have made a common law for England." But the English common law consists of rules and customs deriving their force from decisions, and proceeding from what the Supreme Court of the United States in Kansas against Colorado calls "a first statement" or original announcement of the doctrine followed by its application to a present controversy. This makes a precedent for the solution of future controversies of similar character, and the system is evolved through a long line of rulings. The common law does not proceed from statutes, nor can it prevail when a statute conflicts with or changes it. But that common law which the Federal courts will make, so far as restraint of trade is concerned, will found itself on written laws which are altered or amended by decree. It is, in other words, the change of the written statute which will constitute the national common law. No such system is possible in any other country; it can flourish here only by altering or setting aside the written mandates of the National Legislature. To call it a system of common law is a misnomer; it is an anachronism, indefensible by reason, unsupported by precedent, unwarranted by the Constitution, and condemned by the principles of justice.

The policy which I propose should be welcomed more heartily by the courts than by any other branch of the Government. The country, like the committee, "has full confidence in the integrity, intelligence, and patriotism" of the Federal courts, and the latter surely desire that such confidence shall continue unimpaired. If this is to be, they can not longer enjoy this "vast and undefined power in the administration of the statute under the rule which has been promulgated"; yet will they continue its exercise unless Congress intervenes and forbids it. The practice has prevailed too long to be voluntarily abandoned. It has crystallized into a habit whose indulgence naturally yields to the influence of opportunity.

The denial of the right of review will relieve the courts of a vast and ever-increasing responsibility. They will be no longer burdened with a duty whose proper discharge seems to require the making and the administration of laws. They will resume their proper function of expounding and applying statutes to the solution and determination of controversies. They will again take their normal places in the machinery of government and the apprehensions and resentment of men now justly aroused by their assumptions of political authority will pass away.

If Congress, when a Federal statute is changed by the judgment of a court, would at once annul the change by appropriate legislation, the evil would be largely minimized. But such a course, at all times difficult, might for many reasons be impossible in the presence of great exigencies. And Executive disapproval might at times render such legislation useless. It is far easier to insert "thou shalt not" in the body of a statute designed to correct a crying evil or to effectuate a needed change, and thus prevent the creation of a status, than to deal with the status after it shall have been created.

The majority report truly asserts that "the people of this country will not permit the courts to declare a policy for them with respect to this subject. If we do not promptly exercise our legislative power, the courts will suffer immeasurable injury in the loss of that respect and confidence so essential to their usefulness. It is inconceivable that in a country governed by a written Constitution and statute law the courts can be permitted to test each restraint of trade by the economic standard which the individual members of the court may happen to approve. If we do not speedily prescribe, in so far as we can, a legislative rule by which to measure the form of contract and combination in restraint of trade with which we are familiar, or which we can anticipate, we cease to be a government of law, and become a government of men, and, moreover, of a very few men, and they appointed by the President."

We have been becoming such a Government throughout the last 50 years. We have witnessed with but little protest the

judicial transformation of the fourteenth amendment, the vast stretch of Federal jurisdiction through its potent and prolific agency, the shearing away of the national authority to tax incomes, the enactment of statutes by decree. A few more advances and the judicial department becomes the Government. The people are alive to the danger and are looking to us to avert it for them. They believe with Lincoln that "the candid citizen must confess that if the policy of the Government upon vital questions affecting the whole people is to be irrevocably fixed by decisions of the Supreme Court the instance they are made in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having to that extent practically resigned their Government into the hands of that eminent tribunal."

The duty resting upon us as the people's representatives because of these conditions should be recognized and performed. We should neither evade nor postpone it. The issue is a grave one. We must meet it calmly and with courage. We are vested with ample authority to dispose of it. The people who have clothed us with this authority expect us to exercise it. The cause is theirs. We must not fail them, nor falter. The Supreme Court amendment to the antitrust act should be repealed, and the courts forbidden to hereafter change its text or modify its prohibitions.

Mr. NEWLANDS. Mr. President, I should like to ask the Senator a question. I have listened with great interest to his clear and strong speech, and no one can join more vigorously with him than myself in the denunciation of judicial legislation; but the question in my mind is as to whether this was a case of judicial legislation or simply a case of judicial construction. The Senator complains that the court read into the statute the word "unreasonable," and made the statute apply only to unreasonable restraint of trade. As I read the decision, the word "unreasonable" does not apply to restraint of trade, but simply to the restraint of competition. I understand the position of the court to be that they were called upon to determine what the words "restraint of trade" in the statute meant, and in discharging that duty they could not fail to recognize the fact that the words "restraint of trade" had a well-defined meaning at common law, and that doubtless Congress used those words in their common-law sense; and they held that at common law "restraint of trade" did not cover all restraints of competition; that at common law there were reasonable forms of restraints of competition that did not constitute restraint of trade and which were not subject to the condemnation of the law. If that be true, did the court go beyond its legitimate function in defining the words "restraint of trade"? Did the court go beyond its legitimate function when it declared that Congress used that term in the common-law sense? Did it go beyond its legitimate function when it declared that at common law a "restraint of trade" did not cover reasonable restraints of competition? Was not that all that the court decided in that case?

Mr. THOMAS. Does the Senator put that to me as an interrogatory?

Mr. NEWLANDS. I do.

Mr. THOMAS. Mr. President, I do not think that either the language or the intention of the court is susceptible of such a modified interpretation. It was not the first decision of that eminent tribunal which involved a construction of this law. Those familiar—and I assume that all lawyers are familiar—with the general course of decisions in which this law was sought to be applied to existing conditions, and which are admirably outlined in the report of the committee to which I have several times referred, know that various attempts were made to secure just that construction to which the Senator refers; but in each instance a majority of the court declined to do so, and, among other things, upon the ground that the use of the words "restraint of trade" had obtained a definite meaning at common law which meaning did not permit that construction.

I think that Judge Taft, afterwards President of the United States, in the Addyston Pipe case, in Eighty-fifth Federal Reporter, took that position, the case having been tried before him originally.

The Senator will, of course, also recall that in the Trans-Missouri Freight cases the emphatic pronouncement of the court was that the law meant what I have contended it must mean, and which does not admit of the modified construction or interpretation to which the Senator refers. He must also know an effort was once made to secure an amendment of that statute in Congress, and that the report of the Committee on Commerce, of which the senior Senator from Minnesota [Mr. NELSON] was the chairman, to this body expressly pronounced against any such amendment or addition to the statute, and that the President of the United States himself, as I have shown, in a message to the Congress—I think it was in a message to the Congress—not only advised against a change, but pointed out the inevitable consequences of the change of the law as the Senator has interpreted the decision to have done.

I might also go further and call the attention of the Senator to the dissenting opinion of Mr. Justice Harlan in the identical case, which, to my mind, is the most emphatic, logical, and unanswerable refutation of that construction that can be found anywhere in the judicial literature of the country.

Mr. NELSON. Mr. President, I ask the indulgence of the Senate just for a moment in further reply to the point made by the Senator from Nevada [Mr. NEWLANDS]. I had occasion, when the question came before the Committee on the Judiciary to amend the antitrust law, to examine into the subject, and made the report to which the Senator from Colorado has referred. I think Senators who will examine the common law—and I took pains to examine it on that occasion—will find that the doctrine of reasonable restraint or unreasonable restraint applies only in those cases at common law where a man sells out his business or trade in a given locality and agrees to abstain from engaging in that business for a limited period of time or within a limited area. In reference to that class of contracts, the doctrine of reasonableness applies; but to no other contracts, where it is simply a question of whether it is a general restraint or not. I think that is the common law of England, and there is nothing in any of the decisions to the contrary. So that any contention by the Supreme Court that such is the law is a mistake.

I recall the incident at that time, when the opinion was first delivered from the bench orally on a certain Monday, as is the custom of the court. Judging from the newspaper reports, the court used the term "reasonable" or "unreasonable," but afterwards, as Senators will find if they examine the opinion of the court, the court abandoned that phrase, and used the phrase "rule of reason," and I would suggest to the Senator from Colorado that he modify his bill so as to hit that particular phrase in the opinion.

ADDITIONAL CIRCUIT JUDGE.

During the delivery of Mr. THOMAS's speech,

Mr. THOMAS. I yield for a moment to the Senator from West Virginia [Mr. CHILTON].

Mr. CHILTON. I ask for the following unanimous-consent order.

The VICE PRESIDENT. The Senator from West Virginia submits a request for unanimous consent, which will be read.

The SECRETARY. The Senator from West Virginia asks unanimous consent that on Monday, April 28, 1913, immediately upon the conclusion of the routine morning business, the Senate will proceed to the consideration of the bill (S. 577) authorizing the President to appoint an additional circuit judge for the fourth circuit, and before adjournment on that calendar day will vote upon any amendment that may be pending, any amendments that may be offered, and upon the bill—through the regular parliamentary stages—to its final disposition.

The VICE PRESIDENT. Is there objection?

Mr. BACON. What is the bill?

Mr. CHILTON. It is the bill to provide for an additional circuit judge for the fourth circuit.

The VICE PRESIDENT. Is there objection? The Chair hears no objection, and the order will be made.

After the conclusion of Mr. THOMAS's speech,

ENROLLED JOINT RESOLUTION SIGNED.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 62) making an appropriation for defraying the expenses of the committees of the Senate and House of Representatives authorized to attend and represent the Senate and House at the unveiling and dedication of the memorial to Thomas Jefferson at St. Louis, Mo., and it was thereupon signed by the Vice President.

EXECUTIVE SESSION.

Mr. BACON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 1 hour and 13 minutes spent in executive session the doors were reopened, and (at 6 o'clock and 48 minutes p. m.) the Senate adjourned until Monday, April 28, 1913, at 12 o'clock m.

NOMINATIONS.

Executive nominations received by the Senate April 24, 1913.

SUPERVISING INSPECTOR OF STEAM VESSELS.

William J. MacDonald, of Michigan, to be supervising inspector of steam vessels for the fourth district in the Steamboat-Inspection Service, Department of Commerce, vice Joseph J. Dunn, deceased.

COLLECTORS OF CUSTOMS.

John J. Bell, of Michigan, to be collector of customs for the district of Huron, in the State of Michigan, in place of John T. Rich, whose term of office expired by limitation January 8, 1913.

William H. Berry, of Pennsylvania, to be collector of customs for the district of Philadelphia, in the State of Pennsylvania, in place of Chester W. Hill, superseded.

COMMISSIONER OF LABOR STATISTICS.

Charles P. Neill, of the District of Columbia, to be Commissioner of Labor Statistics, Department of Labor.

AUDITOR FOR THE NAVY DEPARTMENT.

Edward Luckow, of Wisconsin, to be Auditor for the Navy Department, in place of Ralph W. Tyler, resigned.

AUDITOR FOR THE STATE DEPARTMENT.

Edward D. Hearne, of Delaware, to be Auditor for the State and Other Departments, in place of Frank H. Davis, resigned.

COLLECTORS OF INTERNAL REVENUE.

Hayes H. Lewis, of Florida, to be collector of internal revenue for the district of Florida in place to Joseph E. Lee, superseded.

James Coffey, of South Dakota, to be collector of internal revenue for the district of North and South Dakota, in place of Willis C. Cook, superseded.

COMMISSIONER OF FISH AND FISHERIES.

Hugh M. Smith, of the District of Columbia, to be Commissioner of Fish and Fisheries, in the Department of Commerce, vice George M. Bowers.

SECRETARY OF LEGATION.

Alexander R. Magruder, of Maryland, to be secretary of legation at Copenhagen, Denmark, vice Norval Richardson.

UNITED STATES CIRCUIT JUDGE.

Charles A. Woods, of South Carolina, to be United States circuit judge, fourth circuit, vice Nathan Goff, resigned.

ASSISTANT ATTORNEY GENERAL.

Samuel J. Graham, of Pennsylvania, to be Assistant Attorney General. (Position now vacant.)

UNITED STATES ATTORNEYS.

Anthony van Wagenen, of Iowa, to be United States attorney for the northern district of Iowa, vice Frederick Faville, whose term has expired.

John A. Aylward, of Wisconsin, to be United States attorney for the western district of Wisconsin, vice George H. Gordon, whose term will expire at the close of April 25, 1913.

APPOINTMENTS IN THE NAVY.

The following-named citizens of the United States to be assistant dental surgeons in the Dental Reserve Corps of the Navy from the 23d day of April, 1913, subject to the examinations required by law:

Williams Donnally,
Vines L. Turner, and
George C. Kusel.

POSTMASTERS.

ALABAMA.

A. A. Leach to be postmaster at Dadeville, Ala., in place of H. E. Berkstresser. Incumbent's commission expired January 13, 1913.

Claude McMillan to be postmaster at New Decatur, Ala. Office became presidential July 1, 1912.

Elizabeth Simpson to be postmaster at Hartsells, Ala., in place of S. H. Sherrill. Incumbent's commission expired January 13, 1913.

O. L. Woodfin to be postmaster at Uniontown, Ala., in place of May T. Fowler. Incumbent's commission expired December 16, 1912.

ARKANSAS.

Pearl Berkheimer to be postmaster at Augusta, Ark., in place of A. B. Lippman. Incumbent's commission expired January 28, 1913.

T. G. Robinson to be postmaster at Marvell, Ark., in place of John W. Terry. Incumbent's commission expired February 10, 1913.

John D. Wilbourne to be postmaster at Pine Bluff, Ark., in place of Fred C. Furth. Incumbent's commission expired March 23, 1910.

CALIFORNIA.

Percy B. Brown to be postmaster at Holtville, Cal., in place of James S. Bridenstine. Incumbent's commission expired February 18, 1913.

Albert E. Dixon to be postmaster at Point Loma, Cal., in place of Albert E. Dixon. Incumbent's commission expired January 20, 1913.

John M. Jolley to be postmaster at Oceanside, Cal., in place of John M. Jolley. Incumbent's commission expired December 14, 1912.

CONNECTICUT.

John J. Cassidy to be postmaster at Woodbury, Conn., in place of William L. Judson. Incumbent's commission expired December 14, 1912.

John Joseph Molans to be postmaster at Seymour, Conn., in place of Harvey S. Halligan. Incumbent's commission expired December 14, 1912.

GEORGIA.

William B. McCants to be postmaster at Winder, Ga., in place of Job R. Smith. Incumbent's commission expired May 22, 1912.

David P. Philips to be postmaster at Lithonia, Ga., in place of William R. Watson. Incumbent's commission expired January 12, 1913.

HAWAII.

Harry D. Corbett to be postmaster at Hilo, Hawaii, in place of George Desha. Incumbent's commission expired April 1, 1913.

A. F. Costa to be postmaster at Wailuku, Hawaii, in place of M. T. Lyons. Incumbent's commission expired December 16, 1912.

J. M. Souza to be postmaster at Kohala, Hawaii, in place of Arthur J. Stillman. Incumbent's commission expired February 13, 1913.

IDAHO.

Manford W. Harland to be postmaster at Troy, Idaho, in place of F. Beckman. Incumbent's commission expired January 22, 1913.

ILLINOIS.

W. H. Chapman to be postmaster at Clifton, Ill., in place of Robert L. Lutton. Incumbent's commission expired December 14, 1912.

George A. Griffith, sr., to be postmaster at Rankin, Ill., in place of William L. Spear. Incumbent's commission expired December 14, 1912.

William Twohig to be postmaster at Galesburg, Ill., in place of Omer N. Custer. Incumbent's commission expired January 14, 1913.

INDIANA.

Fred G. Rice to be postmaster at Roachdale, Ind., in place of Charles McCaughey. Incumbent's commission expired January 13, 1913.

Robert E. Springsteen to be postmaster at Indianapolis, Ind., in place of Robert H. Bryson. Incumbent's commission expired April 28, 1912.

IOWA.

J. F. Goos to be postmaster at Sabula, Iowa, in place of Walter E. Newsome. Incumbent's commission expired January 31, 1912.

KANSAS.

George W. Barker to be postmaster at Minneapolis, Kans., in place of Lewis Pickrell. Incumbent's commission expired December 17, 1912.

L. D. Cassler to be postmaster at Canton, Kans., in place of David K. Fretz. Incumbent's commission expired January 10, 1911.

Frederick M. Cook to be postmaster at Jamestown, Kans., in place of William R. Ansdell. Incumbent's commission expired February 19, 1912.

J. O. Ferguson to be postmaster at Independence, Kans., in place of Henry W. Conrad. Incumbent's commission expired January 9, 1912.

Agnes H. Gallagher to be postmaster at Summerfield, Kans., in place of William A. Fleming. Incumbent's commission expired April 17, 1912

L. G. Wagner to be postmaster at Sylvia, Kans., in place of Joseph E. Aldrich. Incumbent's commission expired January 11, 1913.

J. J. Wilson to be postmaster at Moran, Kans., in place of Clark C. Thomas. Incumbent's commission expired January 11, 1913.

KENTUCKY.

Charles E. Lightfoot to be postmaster at Cloverport, Ky., in place of Robert L. Oelze. Incumbent's commission expired January 22, 1913.

LOUISIANA.

Mattie D. Boatner to be postmaster at Vidalia, La., in place of Charles Moritz. Incumbent's commission expired February 18, 1913.

Overton Gauthier to be postmaster at Jennings, La., in place of Edward I. Hall. Incumbent's commission expired January 29, 1913.

MAINE.

R. T. Flavin to be postmaster at West Paris, Me., in place of Clarance L. Ridlon. Incumbent's commission expired March 1, 1913.

MARYLAND.

Sherlock Swann to be postmaster at Baltimore, Md., in place of William H. Harris. Incumbent's commission expired January 11, 1913.

MICHIGAN.

Theophilus Belanger to be postmaster at River Rouge, Mich., in place of Maynard Palmer. Incumbent's commission expired January 12, 1913.

MISSISSIPPI.

Truman Gray to be postmaster at Waynesboro, Miss., in place of James R. S. Pitts. Incumbent's commission expired January 14, 1912.

James C. Jourdan to be postmaster at Iuka, Miss., in place of David A. Adams. Incumbent's commission expired February 11, 1913.

W. M. Noah to be postmaster at Kosciusko, Miss., in place of Fannie Hillerman. Incumbent's commission expired February 11, 1913.

Lillie W. Nugent to be postmaster at Rosedale, Miss., in place of Lillie W. Nugent. Incumbent's commission expired January 13, 1913.

Henrietta Welch to be postmaster at Carrollton, Miss., in place of Henrietta Welch. Incumbent's commission expired April 28, 1912.

MISSOURI.

Charles B. Bacon to be postmaster at Marshall, Mo., in place of Leonard W. Van Dyke. Incumbent's commission expired February 9, 1913.

Robert J. Ball to be postmaster at Gallatin, Mo., in place of Clifford M. Harrison. Incumbent's commission expired April 2, 1912.

A. P. Beazley to be postmaster at Eldon, Mo., in place of Elmer E. Hart. Incumbent's commission expired January 11, 1913.

Thomas A. Dodge to be postmaster at Milan, Mo., in place of Benjamin F. Guthrie. Incumbent's commission expired April 23, 1913.

John S. Fowler to be postmaster at Cole Camp, Mo., in place of Cord P. Michaelis. Incumbent's commission expired January 22, 1913.

Absalom L. Galloway to be postmaster at Cassville, Mo., in place of John A. Livingston. Incumbent's commission expired February 11, 1913.

John Hetrick to be postmaster at Laclede, Mo., in place of Albert J. Caywood. Incumbent's commission expired May 15, 1912.

A. H. Martin to be postmaster at Perry, Mo., in place of William F. Norris. Incumbent's commission expired December 14, 1912.

MONTANA.

J. P. Lavelle to be postmaster at Columbus, Mont., in place of E. B. Thayer. Incumbent's commission expired January 26, 1913.

Eugene L. Poindexter to be postmaster at Dillon, Mont., in place of Grace Lamont. Incumbent's commission expired January 26, 1913.

George E. White to be postmaster at Manhattan, Mont., in place of Caspar L. Gayle. Incumbent's commission expired January 14, 1913.

NEW JERSEY.

William H. Cottrell to be postmaster at Princeton, N. J., in place of Charles S. Robinson, removed.

E. T. Lanterman to be postmaster at East Orange, N. J., in place of Marcus Mitchell, deceased.

Albert L. Williams to be postmaster at Vineland, N. J., in place of Walter S. Browne, deceased.

NEW MEXICO.

W. E. Foulks to be postmaster at Deming, N. Mex., in place of Edward Pennington. Incumbent's commission expired December 17, 1912.

NEW YORK.

Peter M. Giles to be postmaster at Le Roy, N. Y., in place of George E. Marcellus. Incumbent's commission expired April 8, 1913.

John Soemann to be postmaster at Lancaster, N. Y., in place of John F. Hein. Incumbent's commission expired December 16, 1912.

OHIO.

Charles R. Gerding to be postmaster at Pemberville, Ohio, in place of James H. Muir. Incumbent's commission expired March 1, 1913.

Forrest L. May to be postmaster at Dayton, Ohio, in place of Frederick G. Withoft. Incumbent's commission expired February 28, 1912.

Albert G. Witte to be postmaster at Elmore, Ohio, in place of Harlow N. Aldrich. Incumbent's commission expired January 20, 1913.

OKLAHOMA.

O. H. P. Brewer to be postmaster at Muskogee, Okla., in place of Alice M. Robertson. Incumbent's commission expired January 14, 1913.

Sam Flourney to be postmaster at Elk City, Okla., in place of F. E. Nichols. Incumbent's commission expired April 28, 1912.

D. M. Hamlin to be postmaster at Newkirk, Okla., in place of Edwin F. Korns. Incumbent's commission expired January 28, 1913.

OREGON.

L. F. Reizenstein to be postmaster at Roseburg, Oreg., in place of Charles W. Parks. Incumbent's commission expired January 20, 1913.

R. E. Williams to be postmaster at The Dalles, Oreg., in place of Edgar Hostetler. Incumbent's commission expired February 18, 1913.

PENNSYLVANIA.

Hugh Gilmore to be postmaster at Williamsport, Pa., in place of Allen P. Perley. Incumbent's commission expired May 26, 1912.

T. H. McKenzie to be postmaster at Barnesboro, Pa., in place of James E. Johnston. Incumbent's commission expired April 1, 1913.

SOUTH CAROLINA.

James R. Montgomery to be postmaster at Marion, S. C., in place of James W. Johnson. Incumbent's commission expired March 13, 1912.

P. M. Murray to be postmaster at Walterboro, S. C., in place of Bernhard Levy. Incumbent's commission expired February 18, 1913.

TENNESSEE.

Horace L. Browder to be postmaster at Sweetwater, Tenn., in place of Richard N. Hudson. Incumbent's commission expired January 31, 1912.

J. R. Brown to be postmaster at Cleveland, Tenn., in place of James I. Harrison. Incumbent's commission expired April 28, 1912.

Henry Estill to be postmaster at Winchester, Tenn., in place of Joseph C. Hale. Incumbent's commission expired January 21, 1909.

Wiley Sublett to be postmaster at Estill Springs, Tenn., in place of Thomas J. Littleton. Incumbent's commission expired November 23, 1907.

TEXAS.

B. M. Burgher to be postmaster at Dallas, Tex., in place of Sloan Simpson.

N. A. Burton to be postmaster at McKinney, Tex., in place of Samuel H. Cole. Incumbent's commission expired May 15, 1912.

Joseph R. De Witt to be postmaster at Brackettville, Tex., in place of Henry J. Veltmann. Incumbent's commission expired April 28, 1912.

Norman H. Martin to be postmaster at Weatherford, Tex., in place of Robert B. Milliken, deceased.

J. B. Phillips to be postmaster at Howe, Tex., in place of Laban B. Ruth. Incumbent's commission expired April 13, 1912.

R. S. Rike to be postmaster at Farmersville, Tex., in place of Edward W. Morton, deceased.

Sam D. Seale to be postmaster at Floresville, Tex., in place of William Reese. Incumbent's commission expired February 11, 1913.

J. W. White to be postmaster at Uvalde, Tex., in place of Guido R. Goldbeck, resigned.

VIRGINIA.

William C. Johnston to be postmaster at Williamsburg, Va., in place of Thomas C. Peachy. Incumbent's commission expired February 9, 1913.

John E. Rogers to be postmaster at Strasburg, Va., in place of Asbury Redfern. Incumbent's commission expired January 11, 1913.

Arthur W. Sinclair to be postmaster at Manassas, Va., in place of Howard P. Dodge. Incumbent's commission expired January 14, 1913.

WASHINGTON.

F. A. Kennett to be postmaster at Prosser, Wash., in place of Thomas N. Henry. Incumbent's commission expired January 16, 1911.

W. H. Padley to be postmaster at Reardan, Wash., in place of William H. McCoy. Incumbent's commission expired January 28, 1913.

WEST VIRGINIA.

Talbott H. Buchanan to be postmaster at Wellsburg, W. Va., in place of William R. Miller. Incumbent's commission expired February 4, 1912.

Jerry W. Dingess to be postmaster at Huntington, W. Va., in place of James W. Hughes. Incumbent's commission expired February 3, 1913.

CONFIRMATIONS.

Executive nominations confirmed by the Senate April 24, 1913.

COMMISSIONER OF INTERNAL REVENUE.

William H. Osborn to be Commissioner of Internal Revenue.

SURVEYOR GENERAL, OREGON.

Edward G. Worth to be surveyor general of Oregon.

RECEIVERS OF PUBLIC MONEYS.

Samuel Butler to be receiver of public moneys at Sacramento, Cal.

Lee A. Ruark to be receiver of public moneys at Del Norte, Colo.

William A. Maxwell to be receiver of public moneys at Denver, Colo.

Sam Mothershead to be receiver of public moneys at Burns, Oreg.

Nolan Skiff to be receiver of public moneys at La Grande, Oreg.

L. A. Booth to be receiver of public moneys at The Dalles, Oreg.

REGISTERS OF LAND OFFICES.

Onias C. Skinner to be register of the land office at Montrose, Colo.

John H. Bowen to be register of the land office at Springfield, Mo.

UNITED STATES DISTRICT JUDGE.

Rhydon M. Call to be United States district judge for the southern district of Florida.

UNITED STATES ATTORNEYS.

J. L. Camp to be United States attorney for the western district of Texas.

H. Snowden Marshall to be United States attorney for the southern district of New York.

UNITED STATES MARSHALS.

William J. McDonald to be United States marshal for the northern district of Texas.

John H. Rogers to be United States marshal for the western district of Texas.

ASSISTANT ATTORNEY GENERAL.

Samuel Houston Thompson, jr., of Colorado, to be Assistant Attorney General, vice John Q. Thompson, deceased.

POSTMASTERS.

INDIANA.

R. E. Springsteen, Indianapolis.

KANSAS.

Jefferson Dunham, Little River.

William A. Matteson, Abilene.

KENTUCKY.

Mary Alice Sweets, Bardstown.

NEW JERSEY.

W. H. Cottrell, Princeton.

OKLAHOMA.

O. H. P. Brewer, Muskogee.

OREGON.

Frank S. Myers, Portland.

HOUSE OF REPRESENTATIVES.

THURSDAY, *April 24, 1913.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in heaven, so move upon our hearts that the Godlike may be in the ascendency as we pass along life's rugged way; that we may leave in our wake a record of which we may justly be proud, which those who shall come after us may follow with impunity; that at the end of our earthy sojourn we may be fully prepared to enter upon the work which waits on us in the great beyond. For Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE NATURAL CONDITION OF LAKE TAHOE.

Mr. RAKER. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. RAKER. Mr. Speaker, I desire to ask unanimous consent that senate joint resolution 25, relating to citrus fruits in California, and house joint resolution 18, both of the Legislature of California, be printed in the RECORD.

The SPEAKER. The gentleman from California asks unanimous consent to print the resolution mentioned——

Mr. RAKER. Two of them.

The SPEAKER. In the RECORD. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I would like to get the attitude of the other side of the House on the question of printing memorials of legislatures in the RECORD. It is the practice to print these in the Senate. I notice nearly every day in the RECORD gentlemen drop in the basket a number of memorials or resolutions of legislatures. If it is the intention to allow one gentleman the privilege of having printed in the RECORD upon presentation in the House resolutions adopted by a legislature, I submit the same privilege should be extended to every other gentleman of the House.

Mr. UNDERWOOD. Mr. Speaker, I will say to the gentleman from Illinois that I think about the most harmless thing that a man can do is to print something in the RECORD. If it is couched in respectful terms and is orderly, I see no objection to a Member of the House printing something in the RECORD if he thinks it is of any benefit to anybody. As a rule, I think the place where you can bury a thing the deepest is in the record of this House.

Mr. MANN. A number of gentlemen on this side of the House, new Members, have already been to me at different times in the session and asked whether it was the practice and custom of the House to ask unanimous consent to print these resolutions in the RECORD. I have stated to those gentlemen it was not the custom of the House to do that——

Mr. GARNER. Will the gentleman yield?

Mr. MANN (continuing). And hence they have been dropped in the basket. Take, for instance, a resolution passed by the Legislature of the State of New York. Every Member would have the same right to acquire some prominence in connection with the matter by asking unanimous consent to have the resolution printed in the RECORD, and how many times it might be printed I do not know. If that side of the House is not going to object, I do not know that I will, with the understanding that if other gentlemen ask that privilege it will not be objected to.

Mr. UNDERWOOD. I wish to say this to the gentleman from Illinois. I think that the question of unanimous consent must be determined in each instance, and we can not fix a uniform rule about them, and I would be unwilling now to make an agreement fixing a uniform rule, but I think the gentleman knows, so far as I am personally concerned, that I am not given

much to making objections of that kind either on that side of the House or this side of the House.

Mr. MANN. The gentleman from Alabama, true, does not object, but somebody usually on that side of the House has objected in the last Congress.

Mr. GARNER. Mr. Speaker——

The SPEAKER. Does the gentleman from Illinois yield to the gentleman from Texas [Mr. GARNER]?

Mr. MANN. Certainly.

Mr. GARNER. I desire to ask if it would not be a better practice for those Members desiring to print resolutions of this character in the RECORD to get unanimous consent to extend their remarks in the RECORD and then carry these resolutions as a matter of extension of their remarks, rather than ask the House for unanimous consent to have these resolutions printed.

Mr. MANN. That has always been the practice heretofore.

Mr. GARNER. That accomplishes the result that the Member desires, and at the same time it does not put the House in the attitude of giving unanimous consent to have these resolutions printed in the RECORD, and therefore each one taking the responsibility for having it done, but it then throws the responsibility on the one individual Member who extends his remarks.

Mr. RAKER. I ask unanimous consent, Mr. Speaker, to withdraw my request, and I then ask unanimous consent that I may extend my remarks in the RECORD.

The SPEAKER. The gentleman already has that privilege, as has everyone in the House.

Mr. RAKER. That is not upon this bill.

The SPEAKER. Of course, these resolutions are on this bill.

Mr. RAKER. I have some more here that are not on this bill.

The SPEAKER. The gentleman from California [Mr. RAKER] asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The Chair would like to ask the gentleman from Illinois [Mr. MANN] a question. Was not there a regulation or a rule agreed to here during the last Congress that speeches that are printed under leave to print and similar matters to that should be printed in the back of the RECORD?

Mr. GARNER. In the back part of it.

Mr. MANN. There was no regulation. There was a general agreement to that effect.

The SPEAKER. Was it not a regulation by the Joint Committee on Printing?

Mr. MANN. I think not.

Mr. RAKER. My idea is to have these printed at the end of the proceedings to-day.

The SPEAKER. The Chair would like to know this for the benefit of gentlemen who want to print speeches.

THE TARIFF.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3321.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes, with Mr. GARRETT of Tennessee in the chair.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from New York [Mr. GOULDEN].

Mr. GOULDEN. Mr. Chairman, as a business man and farmer, I desire to address the committee briefly on the tariff bill now under consideration.

That the country demands a revision downward, that the Payne law was unsatisfactory, and that certain reforms were needed was proclaimed yesterday on the floor of this Chamber by that stalwart Republican from Massachusetts [Mr. GARDNER]. Naturally, he claimed that the Democratic majority would be ultraradical and fail to meet the demands of the country to equalize the burdens of taxation and reduce the high cost of living.

Having trained so long in a camp granting special privileges to a few favorites, it is impossible for him to divest himself of the fetish of high protective duties. The wish is father to the thought in his case.

The gentleman from New York [Mr. PAYNE] makes no admissions of wrongdoing on the part of the Ways and Means Committee and the Republican Party of the Sixty-first Congress when he headed that committee and ably led his party on the floor of the House.

Apparently he has learned little or nothing by the disastrous defeat of his party two years ago and again in 1912. He is tied hand and foot to his idols, and I fear will never be able to appreciate the lessons of those two memorable campaigns.

It now only remains for the Democratic Party to pass the excellent bill before us.

While some of us plead for free cattle, free sheep, free eggs, free butter, and free wheat to keep pace with the items in this bill on the free list, such as lumber, wool, cotton, shoes, hides, swine, meats, milk, and so forth, we yielded in the end to the opinions of the majority in the Democratic caucus.

On eggs and butter the duty is cut in two as compared with the Payne law, thus reducing the cost to the consumer.

A tariff for revenue has been good Democratic doctrine preached from every platform throughout the land for years, finally winning in 1910 and 1912.

Truth is mighty and must prevail, and the aphorism of the martyred President Lincoln that you could "fool all the people a part of the time, a part of the people all the time, but not all the people all the time" was again exemplified in a forceful manner.

The woolen and cotton schedules are greatly reduced—from 25 to 60 per cent.

The metal, wood, wool, cotton, chemical, and glassware schedules were reduced to a revenue basis and must result in immense benefit to the people.

While cutting down the duties a due regard was had to the need of revenue for the expenses of the Government economically administered.

It became necessary to keep many articles on the dutiable list for this purpose, but a proper regard was always had to the consumers, who heretofore have borne more than their share of the burdens of taxation.

On the question of favoritism in the past by the Republican Party in protecting certain manufactures, notably steel, iron, glass, lumber, and woolen products, I may be able to enlighten the committee as to the results of this policy. Having made my home in Pittsburgh from 1875 to 1889, I am familiar with the records of many of the beneficiaries of the policy of our friends on the other side of this Chamber.

In the early sixties three gentlemen in moderate circumstances at the time purchased half interest in two small iron mills on the banks of the Allegheny River in Pittsburgh belonging to the late Anthony J. Kloman, whom I knew very well. One of these parties died a number of years ago. The two remaining are very wealthy indeed. One of them is fearful of dying rich and is endowing various institutions trying to spend his yearly income. He owns a house and grounds on Fifth Avenue, New York City, valued at $5,000,000, and an extensive estate in Scotland. It must be said of him that he is a most estimable gentleman, with brains and ability that enabled him to accumulate all his hundreds of millions, but largely through the favors granted him by our Republican friends in the shape of legislation.

In 1875 it was my privilege to occupy a suite of rooms on Smithfield Street and Sixth Avenue in the same city—just 38 years ago. I rented desk room to a young man who represented his uncle, then the owner of a flouring mill and some coke ovens south of Pittsburgh. He claimed that he did not wish to pay more than $10 per month.

This sum was agreed upon, and he was my tenant for several months. From this small beginning the gentleman has managed to accumulate, largely through the favoritism of a high protective tariff, two or three hundred millions of dollars. He is now building a home on Fifth Avenue, New York City, a residence to cost $3,000,000.

In 1876, just 37 years ago, in a visit to the Edgar Thompson Steel Works, at Braddock, near Pittsburgh, I observed a bright, intelligent looking young man engaged in manual labor in the yards. Upon inquiring of my friend, the manager, I was told that he had "blown in" from the Allegheny Mountains a few weeks previous, and that it was his intention of putting him in the office. That gentleman is conceded to be the best posted man on the steel industry in the world, and is rated above $100,000,000. He, too, owns a magnificent residence on Riverside Drive, New York City, occupying an entire block and valued at $5,000,000.

It has been my privilege to know all three of these gentlemen, and can testify to their moral worth and their standing as citizens. They are gentlemen of the highest probity in business, and no criticism nor censure can be visited upon them for the great success achieved. The fault lays entirely with the system in vogue in this country since the Civil War, inaugurated and maintained by the Republican Party.

These cases could be multiplied many times over in the various protected industries of the country. The protection of "infant industries" and "to maintain a high standard of wages for the American workman" was the plea that made the continuance of high protective duty look well to the people, fooling them for years. It is now conceded that the first should have been stopped many years since, and the latter never did protect the laboring man; the latter maintained decent living wages only through the power and influence of well-organized unions. There is something radically wrong with a system of government that produces such results. It destroys competition and kills opportunities. It was responsible largely for the great trusts of this country, that finally became a menace to free government. The good old Democratic doctrine, "equal opportunities to all and special privileges to none," should, and will, prevail under the present tariff bill.

Now, a few words on the proposed income tax, which is a part of the bill under consideration. While not satisfactory in some respects, it is the most equitable and just measure for the honest distribution of the burdens of taxation. It puts the tax where it properly belongs—on men and women with incomes exceeding yearly $4,000. The section to which I took exception was that under "G," placing sums returned as dividends or premium abatements on life and endowment policy contracts of life insurance. It is contended by the policyholders and the companies themselves that all mutual organizations, like fraternal societies giving insurance, should have been exempt entirely from this law.

The committee have placed mutual fire insurance companies and mutual savings banks on the exempt list, while mutual life insurance companies, on analogous lines and collecting in advance more premiums than are necessary to cover their prospective liabilities, are taxed. Inasmuch as these mutual fire insurance companies and mutual savings banks are entirely relieved from taxation under paragraph G, as above mentioned—a very excellent ruling, by the way—why should not the same be applied to mutual life insurance companies? The so-called dividend or abatement of premium is not in any sense an earning or a profit. It arises from three sources: First, a more favorable mortality than that expected by the careful selection of risks; second, a higher rate of interest than that provided for by law on reserves; third, a saving in the expense charges provided for administration purposes. It is evident to every fair-minded person that no tax should be placed upon this item, as it is in the nature of a double tax, being deducted from the abatement upon policies of life insurance. It is a charge upon the frugality of the millions of insured members who have taken this step to provide for dependent ones or for old age. The act of August 28, 1894, section 32, provided that—

> Nothing herein contained shall apply * * * to any insurance company or association which conducts all its business solely on the mutual plan and only for the benefit of its policyholders or members, and having no capital stock, and no stock or share holders, and holding all its property in trust and in reserve for its policyholders or members; nor to that part of the business of any insurance company having a capital stock and stock and share holders which is conducted on the mutual plan, separate from its stock plan of insurance and solely for the benefit of the policyholders and members insured on said mutual plan, and holding all property belonging to and derived from said mutual part of its business in trust and reserve for the benefit of its policyholders and members insured on said mutual plan.

The decision of the Committee on Ways and Means to expedite the passage of this bill, so that the business interests may know what to expect, is highly commendable. While it may not suit everybody nor provide for the various interests affected, it is upon the whole a sane, safe, patriotic measure that must eventually secure the purposes in view. The fair and equitable adjustment of the tariff on a revenue basis—the only justification for a tariff tax—will result in bringing about the needed relief to the great masses of consumers of the country.

Mr. UNDERWOOD. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. HAMMOND].

Mr. HAMMOND. Mr. Chairman, although the custom duties furnish a little better than $300,000,000 annually for the support of the Government and the internal-revenue taxes furnish but little under the same amount for the Government's maintenance each year, there is no controversy of moment concerning the latter form of taxation. But about the tariff there has raged a controversy from the beginning of the Government up to the present time. In every political campaign since 1872, save the campaign of 1896, the tariff has been the important question. The public press has been replete with editorials and utterances concerning it. Congressional debate is full of it, and it constitutes a great portion of our private conversation. I suppose more speeches have been made about the tariff than about any other one subject connected with American politics. It is natural, where there is so widespread an interest and so much discussion, that there should be many different opinions, and therefore we have a great variety of ideas, theories, and notions concerning this very important matter.

Differences of opinion are found not only between the great political parties in the country, but between members and factions of the same political party. We have those who believe in an absolute sweeping away of all tariff duties. They are the free traders. We have the high protectionists, who believe the tariff duties should be raised so high that nothing could come into this country that might compete with an American product. We have those who believe in gradual reductions, and others who favor sweeping reductions, and recently a distinguished Democrat, the governor of one of our oldest Commonwealths, presented in a semiofficial way his views of the subject. He appears to hold that at the base of all lies reciprocity; that the necessaries of life, save only those that are manufactured in the State of which he is governor, should be admitted free of duty; and that all the raw material used in the manufactures of that great State should also be free of duty—a proposition that can not fail, when properly apprehended, to be extremely popular in the section of the country in which he resides. But possibly it will not excite so much enthusiasm among those who produce the necessaries of life and the raw materials in other parts of our territory.

Now, for a great many years there has been a feeling in this country, well-nigh universal, that the tariff duties ought to be reduced in amount, and there have been many earnest advocates of tariff reduction on both sides of this Chamber. In my opinion, the greatest danger to the establishment and continuance of low tariff rates is in the unyielding mental attitude of the extremists on this tariff question. I admire the high protectionist. I believe he is a somewhat extravagant patriot; I think his patriotism savors of chauvinism; but, nevertheless, he feels in his heart that this country of ours is so good that nobody else in the world should have any part of it or should have any opportunity in it, and that everything that is good and valuable about it should be retained and held for those who, like himself, love it. One can not help but admire the loyalty of that kind of doctrinaire.

Then there are others that I also admire—men who take a broad view of all the world's commerce and say, "Let us be of a great fraternity and trade and deal with one another and be commercial brothers." The high protectionists and the free traders make it difficult to secure a genuine tariff revision downward. The first, when the power is with them, raise the duties so high and make them so prohibitive that the people revolt and place the power to make rates in other hands; then if the free traders have their way about it the cuts will be so deep and the free list so large the shock will cause a change of sentiment, and, as a distinguished Member of this House so often said, the pendulum will swing the other way and we will go back to high protection.

Between these extremes lies a middle course, a safe and a sane one, which, if followed, will, in my judgment, lead to a substantial reduction of tariff duties, and the new rates when written in the statute book will remain there long enough for the country to become accustomed to them, and prosperity will bless the effort, enterprise, and labor of a great people at peace and content. [Applause.]

The Democratic Party is not a free-trade party. It has never, so far as I know, declared in favor of free trade. I take it that the fundamentals of the Democratic doctrine may be found in that celebrated declaration in the report of Secretary Walker, and while, as opinion and sentiment have changed throughout the country, there has been sometimes a leaning one way and then another way, after all this declaration, in the main, has been adhered to by the Democratic Party. I desire to read, if I may, the six cardinal principles laid down by him:

First. That no more money should be collected than is necessary for the wants of the Government economically administered.

We speak of a tariff for revenue only, and we mean by that a tariff levied for the purpose of raising revenue; not alone a tariff upon articles that are unlike those produced in this country, but a tariff levied upon various articles for the purpose of obtaining revenue for the wants of the Government. And this bill is in accord with the proposition which I have read. The amount to be raised should equal that needed for the conduct of Government affairs, economically administered.

Second. That no duty be imposed on any article above the lowest rate which will yield the largest amount of revenue.

Reiterating the purpose and the object of levying tariff duties; not to protect this industry or to encourage that industry, but to secure the needed funds to carry on the Government's affairs.

Third. That below such rate discrimination may be made, descending in the scale of duties, or for imperative reasons the article may be placed in the list of those free from all duty.

We have seen fit—we, the majority in this House—to place many articles in this bill upon the free list, because we believe that there were and are imperative reasons why that should be done. An eminent English historian said:

Ideas which change the face of the world spring from nations in a state of suffering, not from nations in comfortable circumstances.

There is now demand for legislation to relieve those who bend beneath the burden of constantly advancing cost of the necessaries of life. We seek to bring about a change of condition before the people suffer. We look into the future to discover, if we can, what will come if there be no change. We bring this reform measure into the House to prevent increased suffering and to lighten the burdens the people must bear so long as they live under the present laws. [Applause on the Democratic side.]

Fourth. That the maximum revenue duty should be imposed on luxuries.

Fifth. That all minimums and all specific duties should be abolished, and ad valorem duties substituted in their place, care being taken to guard against fraudulent invoices and undervaluations, and to assess the duty upon the actual market value.

The House majority, of course, know that ad valorem duties are subject to criticism. From the protectionist standpoint strong and valid criticism may be made. The lower the price of the taxed article the greater the need of protection, but if the rate is ad valorem the less the amount of duty to be paid. The higher the price of the taxed article the more need of importations, but the greater the amount of the duty the more the check upon such importations. But this is from the outlook of the protectionist, who is not much concerned with the tariff as a producer of revenue.

We acknowledge the danger of fraudulent importations; but we believe that, upon the whole, the best results will be obtained—not from the protectionist's standpoint, but from a tariff-for-revenue standpoint—in these ad valorem rates; and in the new bill, wherever we found it possible to avoid a specific duty we did so, and made the rate ad valorem instead.

Sixth and last—and I was about to say best—that the duty should be so imposed as to operate as equally as possible throughout the Union, discriminating neither for nor against any class or section.

Gentlemen, we may disagree upon tariff rates; we may disagree upon tariff theories—you may be for protection, you may be for free trade, you may be for a tariff for revenue—but there ought to be no disagreement among us upon the proposition that, whatever rates are adopted, there should be no discrimination against any class of our people or against any section of our country. [Applause.]

I desire to call the attention of the House to a remarkable change that is now taking place, and has been taking place for a number of years. I refer to the proportionate decrease in the amount of our exportations of foodstuffs and the proportionate increase in our exportations of manufactured articles. The figures are to me somewhat startling.

In 1880 the total value of our manufactures exported amounted to $122,000,000; in 1890, $179,000,000; in 1900, $485,000,000; in 1912, $1,020,000,000. A remarkable growth, indeed.

In 1880 the share of our foodstuffs in our total exportations was 55.8 per cent; in 1890, 42.3 per cent; in 1900, 39.8 per cent, and in 1912, 19.5 per cent.

From 55.8 per cent of our total exportations in 1880 they had shrunk in 1912 to 19.5 per cent. During that same time manufactures exported had increased, as shown by the following figures: In 1880, 14.8 per cent of the total exportations; in 1890, 21.2 per cent of the total exportations; in 1900, 35.3 per cent of the total exportations, and in 1912, 47 per cent of the total exportations.

To summarize, from 1880 to 1912, the exportations of foodstuffs had decreased from 55.8 per cent to 19.5 per cent, while the exportations of manufactured products had increased from 14.8 per cent to 47 per cent.

Gentlemen, this indicates a great change in our economic conditions. It seems to me that when any manufacturer or any producer in the United States is able to send a large portion of his product abroad and compete in the markets of the world for the trade of the world that producer or manufacturer ought in reason to be able to hold his own in his own country. [Applause on the Democratic side.] Of course no one wants to penalize a great manufacturer or a great producer because he exports his product. We glory in the increase of our exportations; but may we not with fairness say, "You, who by your skill and by your business sagacity can go into the markets of the earth and compete with all who meet you there, with their cheap labor, their cheap land, and all that, and compete successfully, we have an abiding conviction that you can compete in the markets of the United States without the bolstering-up process of the high protective tariff." [Applause on the Democratic side.]

And so the majority in making up this bill have given attention to the growth of our export trade and have noted the concerns and the industries that can and do export so much to the other nations of the world.

Of course the majority in making up this bill do not claim to be infallible. There may be valid criticism that can be urged against the pending measure. There may be mistakes that ought to be corrected, and I hope will be corrected; but the majority have tried to accomplish these things: First of all they have sought to bring about in this country by means of the tariff and tariff reductions honest and fair competition in the markets of America. [Applause on the Democratic side.] In providing our manufacturers and our producers all the opportunities and advantages they need to expand their business enterprises and grow great and wax prosperous we must not forget the debt we owe to the great consuming masses of this country. They are as much entitled to a competitive market in which to buy their goods as the manufacturer is entitled to a protected market in which to sell his goods. [Applause on the Democratic side.] And it appeared to us that those who wanted the protected market were a little too greatly favored in the past and too much consideration was given to their desires and to the things that would make for their welfare. We concluded to put in a stroke for the great mass of the American people who are doing the buying in this country. [Applause on the Democratic side.]

And so it is the aim of the majority to establish in this country a competitive market; competition from within and limited competition from without, in order that there may be the least possible danger of monopoly in any of the markets of the United States.

Second, the majority have tried to adjust the tariff rates so that sufficient money may be raised to pay the operating expenses of our Government. No one can tell just exactly what revenue will come from a tariff bill until it has been tried. We shall probably find that the customs duties will be decreased from $80,000,000 to $90,000,000 annually. We are making up that amount by the imposition of an income tax, so there may be provided a sufficient amount of money for the needs of the Government.

Third, an effort is made to give relief to our fellow citizens who have been crying out against the high cost of living. We have tried to make a tariff law not only for the advantage of the manufacturer and the producer, but for the benefit of the consumer as well.

I desire in the time I have remaining to call attention to certain of these schedules that have been attacked in the press and elsewhere. We passed a bill in the last Congress known as the farmers' free list, and in that bill we put flour on the free list. The work of that Congress was approved by the Democratic convention of Baltimore, and we feel that those things for which we stood prior to election we should stand for now after the election and the approval of them by the convention of our party. Therefore in making up this bill rye flour and buckwheat flour and wheat flour, with a limitation to which I shall hereafter refer, were placed on the free list.

We placed rye, out of which rye flour is made, upon the free list. There were reasons why that could be done. We received in the year 1912 a total revenue from rye of a little over $13,000, a small amount, and the total revenue from rye flour was less than $90. Now, there was no use of keeping either of these articles upon the dutiable list for the sake of the petty revenue produced, and therefore we placed both of them upon the free list.

From buckwheat flour we received a revenue of $211.05, and we received from buckwheat $3,025.36. There was no reason, from a revenue standpoint, why these articles should remain on the dutiable list, so they were put on the free list.

Now, when we come to wheat and wheat flour a different situation presents itself. And right here, in line with what I said a moment ago about exports, I would like to call attention to these significant figures. In 1900 the exports of wheat amounted to 102,000,000 bushels. In 1910 they amounted to 30,000,000 bushels, a decrease in 10 years in the exportation of this product from 102,000,000 bushels to 30,000,000 bushels. In 1910 the value of our exports of wheat was $47,806,598, and just two years later, in 1912, it was $28,477,584, a loss in the two years from 1910 to 1912 of over $19,000,000. To-day there is less than 4 per cent of our production of wheat exported from the

United States. Now, for comparison, let me call your attention to the exports of wheat flour.

In 1910, when we exported better than $47,000,000 worth of wheat, we exported $47,621,467 worth of flour, but in 1912 the exports of wheat showed a loss of $19,329,014, while the exports of flour showed a gain of $3,378,330, the value of the exports of flour in 1912 being $50,999,797. Therefore we find wheat decreasing, so far as exportation is concerned, and flour increasing, indicating that the wheat of this country is being manufactured by the millers here and sold abroad, and our flour makers are able to grind the wheat, make the flour, transport it over the sea, invade the markets of the world, pay the tariff duties of foreign countries, and compete with the millers of the world. Fifty million dollars and over of the product exported in 1912! We find, too, there is a considerable revenue derived from wheat imported into this country under the rate of 25 cents a bushel.

There were imported 2,684,381 bushels in 1912, and the Treasury of this country was enriched by tariff duties assessed thereon to the amount of $352,245.46, more than a third of a million. During the same period from flour imported into this country we received in duties $166,444.52.

Mr. Chairman, in view of this situation we did not care to deprive the Treasury of revenue. We purposed to make a deep cut anyhow. Wheat was not put upon the free list, but retained upon the dutiable list with a duty of 10 cents a bushel, a cut of 60 per cent in the rate. We believed that if flour were placed upon the free list the millers, who are now able to sell $50,000,000 worth of their products in other countries, would be able to protect themselves here at home from foreign competition; but in order, as we thought, to silence any charge that we were indifferent to the welfare of the flour makers, we introduced in this bill two provisions favorable to the millers of the United States; first, the provision that wheat flour coming into this country from any country that imposed a duty upon American flour should bear a rate of duty of 10 per cent ad valorem, so the reduction on wheat is from the specific 25 cents to the specific 10 cents a bushel and on flour from the ad valorem 25 per cent to the ad valorem 10 per cent. Canada has a duty upon American flour of 60 cents a barrel. France has a duty upon American flour; Germany has a duty upon American flour. Nearly all of the European countries save England have duties on American flour, and wheat flour coming from any of those countries into the United States will pay a tariff rate of 10 per cent. But certain gentlemen say: "Do not you know that just the moment this bill becomes a law Canada, through her Governor General or some other official who has the power, with one stroke of the pen will strike out the duty now imposed on American flour, so that Canadian flour may come into the United States." No, Mr. Chairman, we do not know it, nor does any one else know it, but those acquainted with the history of recent tariff enactments have good reason to believe that Canada will do nothing of the kind.

We had here for consideration a reciprocity bill not very long ago, and we may as well admit in the house of its friends that Canada had about everything she wanted in that reciprocity pact. If there was anything that Canada desired that was not in there it was because Canada did not make known that fact to the United States authorities. Canada was willing that her wheat might come into this country free and that wheat from this country might go into Canada free, but, mark you, Canada was not willing that flour might go from the United States into Canada free of duty in return for free entry of her flour into the United States, but insisted on a rate of 50 cents a barrel. If we are to judge the present by the recent past, we have good reason to believe that Canada is very much averse to allowing American flour a free market in Canada for the sake of having Canadian flour come into the United States free of duty. When we think of the over 7,000 mills in this country making flour and the less than 700 in Canada, the name that American flour has not only here but wherever flour is sold, and the $50,000,000 of this product going out annually to other than American markets, we are apt to believe that the miller of Canada will hesitate a little while before he will ask to subject himself to the competition of the American miller who is conquering the world. [Applause on the Democratic side.]

Second. we have changed the drawback clause. Heretofore the American miller might import wheat into this country and grind it and then upon exporting the flour obtain from the Treasury as a drawback not 99 per cent of all the duties he had paid. but 99 per cent of about 70 per cent of the duty he had paid, because 30 per cent of wheat is converted into wheat screenings, bran, and wheat offal and about 70 per cent of it is made into flour.

Upon the exportation of the flour under the law now proposed, with bran and wheat screenings upon the free list, the American miller can buy his wheat abroad, pay 10 cents a bushel upon it when it comes in here, grind it into flour, dispose of his screenings and bran wherever he pleases, and receive back upon the exportation of that flour 99 per cent of all the duty that he has paid. This means that the American miller can for export purposes bring into this country all the wheat he wants at a rate of 1 mill on the bushel. Has he very much reason to complain?

When we come to oatmeal and oats we find a situation somewhat like the flour and wheat situation. We collect in duties upon oatmeal and rolled oats $6,767, and we collect in duties upon oats $408,155.75, nearly half a million dollars. We did not feel justified in losing half a million dollars of revenue by putting oats upon the free list. We have a production of oatmeal and rolled oats in this country of greater value than $41,000,000. We export $376,000 worth of our production, and the total amount imported is only $40,000. We could not see the necessity, under these circumstances of sacrificing $408,000 worth of revenue, and so we put a duty of 10 cents a bushel upon oats.

Now, I desire to refer to one other matter, and then I am done, and that is the matter of print paper. In this bill we have permitted the entry of news print paper, valued at not more than 2½ cents a pound, free of duty. Under section 2 of the Canadian reciprocity act, which, although the act itself was not approved by the Dominion of Canada, became a law and is now in force, print paper for newspapers and books, worth not exceeding 4 cents per pound, is admitted free of duty if manufactured from wood or wood pulp subject to no export restriction.

Time will not permit me to dwell upon the methods employed by our Canadian friends to remove the restrictions and at the same time make sure that neither wood nor pulp would be exported from Canada into the United States. During the past year, out of 112,000,000 pounds of print paper imported into this country 64,000,000 pounds came in free of duty. We reduced the classification rate from 4 cents to 2½ cents. The paper that may come into this country free of duty under the proposed bill is paper which, I think, is never sold even at the mill at less than about $1.85. It is the cheapest kind of paper and used for newspapers. It is made principally of mechanically ground wood pulp, the cheapest kind of pulp made; but perhaps a fifth of the stock used in making such paper is chemical pulp, a pulp differently prepared and more expensive. Under section 2 of the reciprocity act wood pulp and chemical pulp, bleached and unbleached, may be admitted into the United States free of duty. If print paper up to 2½ cents per pound in value is to go upon the free list, it seems but fair and right that the pulp used in making this paper should go there too. That was done. Now, we felt that we were bound to take this step in reference to print paper. The Democratic convention at Denver five years ago adopted a platform in which there was this provision:

> Existing duties have given the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and of paper, thus imposing a tax upon the spread of knowledge. We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber, and logs, and that those articles be placed upon the free list.

We have kept the promise that the party made to the people, but in doing it we have tried to do injury to no industry and to no person. We have determined to a nicety the limits within which news-print paper may be described and have put upon the free list the pulp from which it is made.

Gentlemen, there is some gratification and some satisfaction in the knowledge that amid all the storm of criticism which has come upon the bill and will come upon it, under the shadows of the fears that have been expressed as to its effect if enacted into law, it is generally admitted that the Democratic Party in the preparation of this measure has observed the pledges it made to the people of the United States, and that now in power it is doing the things that it advocated when it was not charged with the control of the Government. [Loud applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I ask the gentleman to yield back the balance of his time.

Mr. HAMMOND. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back six minutes.

Mr. UNDERWOOD. I do not think that I have caught up with the gentleman from New York [Mr. PAYNE] yet, and I would like to yield on this side before he yields to another speaker on his. I would like to say to the gentleman from New York, in order to obviate any further trouble about yielding back time, that I suggest we agree when the time is not all consumed the Chair will not charge it to either of us.

Mr. PAYNE. I think that is a good suggestion.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. PETERS].

Mr. PETERS. Mr. Chairman, the enactment of the tariff bill now under consideration in the House of Representatives will mark the end of the antiquated and discredited policy of high protection which has been in force, except for a brief period under the Wilson law, ever since the Civil War. The high rates of duty which were originally levied in 1862 and 1864 were intended to meet the extraordinary expenses of war times, and not only have they ceased to serve this purpose, but they have become a heavy burden on the community.

During the Civil War our industries were unable to supply the local demand, and the United States Treasury was in need of additional revenue. High-tariff rates were levied at that time not to lessen importations, not for protection, but because importations would continue in spite of the duty imposed. These rates were intended for revenue only, and not for protection to favored manufacturers.

But when the end of the war came the Republican Party realized that it had in its possession a valuable political asset, and Republican revisions upward occurred in 1875, 1890, 1897, and 1909 to the benefit of an influential minority of the people.

This trend upward received a slight check in 1883. In 1894 a genuine attempt was made to modify the tariff policy of this country. Unfortunately, the Wilson Tariff Act went into effect during the time of a great commercial depression which followed the financial and commercial crisis of 1893.

THE WILSON ACT.

The next presidential election was contested, not on the tariff grounds, but on other issues. At the time of the election of 1896 there had been no opportunity to fairly judge the effects of the Wilson law commercially and politically. The people of the country decided that campaign on issues entirely apart from those involved in the tariff discussion. The failure or success of the Wilson bill in the public mind was not the paramount issue of the campaign and received but little attention. The general depression had decreased both importations and internal revenue, and when the Republicans in 1897 revised the tariff they took advantage of the lack of public attention on the subject and of the opportunity which the need of greater revenue presented to draw a high-protective bill.

It is difficult to determine the effect of the Wilson Act. In speaking of the tariff act of 1894, Prof. F. W. Taussig, in his Tariff History of the United States, says (p. 319):

> It (the Wilson Act) went into effect shortly after an acute commercial crisis, and in the worst stage of a period of depression. The crisis and the depression were due, in this case as in others, to a long and complex set of causes, some of them still obscure even to the best informed and most skilled observers. That the tariff act played any serious part in bringing them about would not be maintained by any cool and competent critic.

THE DINGLEY ACT.

The Dingley bill, which in 1897 repealed the Wilson Act, was the highest protective measure the country had yet seen, and as enacted the bill was practically a raise of about 10 per cent over the McKinley Act of 1890.

The Spanish War, following immediately after its passage, diverted public attention and presented new issues to the people, and a wave of great prosperity and industrial activity overswept the country. At this same time there also appeared a general increase in the prices of commodities. The high-protective tariff, in many instances prohibitive, had enabled the American manufacturers to combine and form monopolies and extort unusual prices from the American consumers. The issues of the Spanish War and commercial problems largely diverted public attention, with the result that the tariff entered little into the discussions of the presidential campaign of 1904.

THE PAYNE ACT.

The demand, however, for a lower tariff, which those in control of the Republican Party successfully struggled against, became more and more insistent until, in the platform of 1908, this demand was recognized, and a promise by the Republicans to revise the tariff was inserted. That this promise would not be carried out was freely predicted by the Democrats.

On the issue stated in their own platform to be "unequivocally" for tariff revision, which revision was explained by all the Republican speakers, including the candidate for President, to mean a revision downward, the Republicans were elected. A revision was undertaken, but in open defiance of the most solemn and specific pledges made to the people of this country the Republicans revised the tariff not downward, but upward.

CONGRESSIONAL ELECTION, 1910.

Faced with an ever-increasing cost of living and betrayed by the promise of the Republican Party to reduce the burdens of the tariff, the people turned to the Democratic Party. In 1910, one year after the passage of the Payne law, a Republican majority of 45 in the House was turned into a majority for the Democrats of 63. The rebuke which was administered to the high-tariff party is too well known for me to dwell on.

THE SIXTY-SECOND CONGRESS.

Intrusted with the responsibility of one of the two Houses of Congress, the Democratic Party showed promptly the sincerity of the pledges which it made to the people during the congressional election of 1910. Tariff bills placing many of the necessities of life on the free list and revising downward the tariff schedules on chemicals, metals, cotton, wool, and sugar passed this body by practically a unanimous Democratic vote, but were defeated either by a Republican Senate or by the veto of a Republican President.

These bills, though they failed to alter the law, are important in that they showed to the people of this country the intention of the Democrats to carry out the pledges which they made to revise the tariff downward. Our party reiterated its pledges to lower the tariff duties when it adopted its platform at the national convention at Baltimore.

The tariff plank in the Democratic platform of 1912 stated:

> We favor the immediate downward revision of the existing high and, in many cases, prohibitive tariff duties, insisting that material reductions be speedily made upon the necessaries of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.

THE UNDERWOOD BILL.

On this platform the Democratic Party received the indorsement of the Nation. A Democratic President was overwhelmingly elected; the Senate was made Democratic, and two-thirds of the membership of the House was chosen from the candidates of our party. Upon receiving this mandate from the people preparation was made at once to fulfill our promises. The Ways and Means Committee of the House, which, under the Constitution, originates all revenue measures for the Federal Government, went to work immediately upon the convening of Congress. Hearings were held and experts were consulted, and the committee applied itself to the preparation of the tariff bill now under consideration.

As a majority member of the Committee on Ways and Means which presents this bill, I can assure the House that the tariff has been revised not with the idea that the duties imposed were benefits to be given to favored industries, but that the tariff was a form of taxation which should be placed where its burden was least felt. On luxuries we placed as great a duty as possible without making them prohibitive; on the necessities of life we placed as low a duty as consistent with raising the revenues of the Government.

To the free list has been added many of the necessities of the table and of the home. The placing of meat and fish and many vegetables on the free list and the reduction in wool and cotton clothing and in many other articles will lighten the burdensome cost of living for every citizen.

That this bill introduces a material modification of the economic policy of our Government is not questioned. It is a change in the interest of the consumer.

The following table is instructive in this connection. It gives the average rates of duty for each tariff schedule under the Payne Act and the estimated rates of duty for the Underwood bill, and also shows the percentage of change in the average duties which we propose to make.

Comparative summary of average ad valorem rates of duty by schedules.

Schedule.	Average rate of duty.		Reduction in per cent of duty.
	Payne law, 1912.	Estimates for a 12-month period under H. R. 3321	
A. Chemicals, oils, and paints	25.9	19.6	24
B. Earths, earthenware, and glassware	50.7	33.1	34
C. Metals, and manufactures of	34.3	20.1	41
D. Wood, and manufactures of	12.4	3.5	74
E. Sugar, molasses and manufactures of	48.1	35.9	25
F. Tobacco, and manufactures of	82.1	84.9	[1] 2
G. Agricultural products and provisions	29.0	16.8	42
H. Spirits, wines, and other beverages	83.9	83.3	0
I. Cotton manufactures	45.5	30.4	33
J. Flax, hemp, and jute and manufactures of	45.1	26.0	42
K. Wool and manufacture of	55.9	18.5	67
L. Silks and silk goods	51.5	43.9	16
M. Pulp, papers and books	21.4	11.8	47
N. Sundries	24.7	33.2	[1] [2] 33
Total, all schedules	40.12	29.60	26

[1] Increase in rate.

[2] Increase due to transfer of laces and embroideries from Schedules I, J, and K to Schedule N, which luxuries pay duty of 60 per cent.

BUSINESS AND THE TARIFF.

The greatest benefit to the greatest number has been the controlling basis for the changes summarized in the above table. At the same time the committee has not been unmindful of that provision in the National Democratic platform adopted at the Baltimore convention, which stated that our system of tariff taxation is intimately connected with the business of the country and that we favored the ultimate attainment of the principles which we advocate by legislation which will not injure or destroy legitimate industry. Business is too much dovetailed and labor too immobile to justify too sweeping a reduction of the tariff, which, while it would ultimately be a benefit, would in its immediate effect bear so grievously on a minority as to cause inexcusable hardship.

On the other hand, the committee has realized that "business" is sometimes guilty of going on what may be called a "sympathetic strike." The Ways and Means Committee has made every effort to get at the facts, and we believe that we are offering a tariff bill which is economically sound, a bill which takes from the minority the discriminatory advantages which they have enjoyed but have not shared, and which gives to the majority its fair proportion of the benefits of our American markets and industries.

IMPORTANT ITEMS IN THE BILL.

It is not possible to enter into a discussion of the specific benefits which will accrue to the manufacturer and consumer when the rates in the new bill go into effect. Coal, lumber, and structural steel, however, may be mentioned. These items are used by all. The manufacturer needs lumber and steel to construct his factories, and coal for power; the workingman needs building material for his house, and fuel is absolutely essential.

COAL.

Bituminous coal has carried under the Payne law a rate of 45 cents a ton, or, reduced to an ad valorem equivalent, 13.66 per cent. In the Underwood bill all coal is free. Last year there were importations of 868,181 tons of coal, all of which paid this rate of 45 cents. Coal in this bill is free, and our eastern markets should receive cheaper coal through competition with the mines of Canada.

LUMBER.

Sawed boards, planks, laths, shingles, and other sawed lumber, which under the Payne law carry an average duty of 8.63 per cent, are free in the penning bill. The value of importations of these materials was $19,757,000 for 1912, on which $1,705,000 duties were paid. The proposed change should lessen the cost of the construction of the home and the factory.

STRUCTURAL STEEL.

Structural steel, which is used so extensively in building our office buildings and factories, the duties on which have increased the cost of construction in this country, has been reduced from the present rate of 23.20 per cent to 12 per cent.

WOOL MANUFACTURES.

The reductions in the tariff on wool manufactures, it is said, will destroy that industry. This prophecy is, of course, not true. Up to the present time this industry has been the beneficiary of a prohibitive tariff, and naturally a reduction of that tariff to a competitive basis will force a readjustment which will place the industry ultimately on a sounder economic basis and free it from the uncertainties of legislation. Destruction will not follow the enactment of the new Democratic law.

The new bill has many substantial concessions in favor of the wool manufacturer. Annually this industry uses about $14,000,000 worth of chemicals and dyestuffs. The Underwood bill either places on the free list or reduces the rate of duty upon the following articles: Acetic acid, bichromate of potash, hyposulphite of soda, carbonate of soda (crystal), logwood extract, and sulphuric acid.

The most important concession, however, in the law to the wool manufacturers is free wool. For years they have carried a burden of 45 to 50 per cent upon their chief raw material. It has tied up annually thousands of dollars and so increased their cost of production that they have been excluded from foreign markets, where they would be forced to compete with their foreign rivals, who have free raw wool. Under the rates of the Underwood bill all the wools of the world—those from Australasia and Argentina especially—will be accessible to them, and they will be able to buy their chief raw material at the same price as their French, German, and English competitors.

Manufacturers at the time of a tariff reduction bring many imaginary ills upon themselves. Wool manufacturers do it in particular. They have gotten so in the habit of looking to legislation for support that they have convinced themselves that their industrial existence depends upon it. Reduction in the tariff is to them destruction. The fact of the matter is, wool manufactures in this country are the result, not of the tariff, but of the skill and initiative of the American business man. The tariff has and will continue to assist him, but at best it is a negative factor. Without the aggressiveness and courage of the leaders in the industry, nothing could build up industry. Manufacturers are in a mental attitude toward the tariff from which they must be freed. In the past a suggestion of a reduction in the tariff has created a mental panic; in many cases the manufacturer gives up without trying to face the new conditions caused by tariff changes. In the majority of cases individual effort and determination could overcome the threatened danger, and the domestic industry would be stronger for the struggle. In 1894 and 1895, even when the tariff changes were accompanied by a depression caused by bad crops and other factors beyond the control of legislation, those wool manufacturers who stayed with their mills were able to compete with the foreigner and make money. It was those who gave up in despair without a fight who were said to have failed. The success of the wool industry under the Underwood rates depends very largely upon the attitude of the manufacturer himself.

COTTON MANUFACTURES.

The cotton industry has also benefited by the reduction in the tariff on chemicals and dyestuffs. This industry uses approximately $5,000,000 worth of these materials annually. They include acetic and tannic acids, caustic soda, chloride of lime, and vegetable dyes. It is well known that the American cotton mills, because of cheap cotton and the automatic loom, can produce the coarse cotton goods as cheaply as any other mills in the world. Still a duty is placed upon similar goods by the Underwood bill imported into the United States, and this duty increases with the fineness of the goods in recognition of the disadvantage under which the American producer of fine goods labors compared with the producers of the coarser grades.

THE BOOT AND SHOE INDUSTRY.

The Underwood bill places boots and shoes upon the free list. At the same time it puts practically all the materials entering into boots and shoes on the free list. Among these materials are hides and sole, patent, and upper leather. The duty on tannic acid has been reduced from 25 cents to 4 cents per pound. There has also been a decided reduction in the duty on all the minor materials used by this industry.

The American boot and shoe industry has no equal in the world. It can compete successfully in foreign markets with the foreign producer.

The duty on shoes is at present of little assistance to the industry. The reductions contemplated in this bill on the materials used in the manufacture of shoes will lessen their cost and aid the manufacturer to compete more advantageously in foreign markets.

Following is a table showing some of the materials which enter into the cost of making shoes on which there will be a material reduction in the rate of duty:

Boots and shoes.

Article.	Rate of duty on ad valorem basis.	
	Under Payne law (fiscal year 1912).	Under H. R. 3321.
Cattle hides	Free.	Free.
Sole leather	5.00	Free.
Grain, buff, and split leather	7.50	Free.
Patent, etc., leather weighing not over 10 pounds per dozen hides	29.55	Free.
Patent, etc., leather, weighing over 10 and not over 25 pounds per dozen hides	24.99	Free.
Patent, etc., leather weighing over 25 pounds per dozen hides	25.60	Free.
Upper leather dressed, n. s. p. f.	15.00	Free.
Calfskins	15.00	Free.
Leather cut into shoe uppers or vamps	15.00	Free.
Shoe machinery	45.00	Free.
Coal, bituminous	13.66	Free.
Coke	20.00	Free.
Borax, crude	11.82	Free.
Nails:		
Wire	7.16	Free.
Cut	13.54	Free.
Hobnails	16.70	Free.
Tacks	14.00	Free.
Wood alcohol	20.00	Free.
Lumber for boxes	7.60	Free.
Studs and rivets	43.58	20.00
Shoe knives	41.98	27.00
Shoe lacings, cotton	53.96	25.00
Tannic acid and tannin	73.04	10.40
Castile soap	16.20	10.00

Boots and shoes—Continued.

Article.	Rate of duty on ad valorem basis.	
	Under Payne law (fiscal year 1912).	Under H. R. 3321.
Borax, refined	21.22	1.31
Sal soda	20.93	16.25
Glue	30.00	10 to 25
Dextrin and substitutes	42.42	23.33
Cotton thread	31.54	19.29
Linen thread	37.06	25 and 30
Silk thread	25.00	15.00
Cotton lining cloth	31.50	25.00
Braids	60.00	50.00
Cotton webbings	60.00	25.00
Cotton goring	60.00	50.00
Silk gorings	60.00	50.00
Buttons	43 and 48	15 and 40
Hooks and eyelets	45.00	15.00

COST OF LIVING.

"Massachusetts," says the report on the cost of living of that State in 1910, "comes far from feeding itself. In consequence of our extremely small percentage of agricultural workers and the excess of population in proportion to available farm land, the State is mainly dependent on outside sources for its food supply." Without doubt the removal or reduction of the duty on foodstuffs will bring added prosperity to the people of Massachusetts, and especially to those living in a large city like Boston. The Underwood bill proposes to remove many of the restrictions upon the importation of the necessities of life, which are now practically inaccessible to the New England States. Upon the enactment of the Underwood bill factory centers will be able to draw from Canada and other foreign countries for their food supply.

The high cost of living is probably the chief cause that led the people to demand a general revision of the tariff. Consumption in the United States is rapidly overtaking production, and the importation of foodstuffs will soon be a necessity. It is therefore the duty of the Democratic Party to do all that it can to relieve the consumer, and as a result sharp reductions have been made in the necessities of life.

MEATS.

The Underwood bill has placed on the free list bacon, hams, fresh beef, veal, mutton, lamb, and pork. Under the present law the duty on bacon and ham is 4 cents per pound, and on the fresh meats 16 per cent. This reduction will be of decided advantage to the consumer. The importance of the Uniten States as an exporter of meats is growing less and less each year, and the amount exported is insignificant in comparison with home consumption. Argentina and Australasia are the important meat-exporting countries, and the United States can not expect to compete with them in the European markets. On the contrary, national prosperity demands that we take advantage of this supply. The importation of beef and mutton from these countries has in the past been comparatively small, but with the removal of the duty it will undoubtedly increase, and there will be a lowering of the price.

The reduction of the duty on cattle from approximately 27 per cent to 10 per cent will open to the cattle feeders of the Middle West the range cattle, known as "feeders," from Mexico, and ultimately this will have a tendency to lower the price of meat.

The duty on poultry when dead has been reduced in the Underwood bill from 5 cents to 2 cents per pound, and poultry when alive from 3 cents to 1 cent per pound. Fish have been placed on the free list. These facts should appreciably lower the price of these articles in the Boston market.

DAIRY PRODUCTS AND VEGETABLES.

Among the articles placed upon the free list by the Underwood bill are cream, milk, and potatoes. And the duty has been cut in two on butter, cheese, and eggs. The duties on vegetables, berries, and fruits have also been reduced. It is upon such products as these that the tariff operates directly, and freer trade in them with Canada must mean a benefit to the consumer in the eastern cities. It will enable the eastern markets to avail themselves of seasonable advantages and to purchase the vegetables and small fruits which mature late in Canada, and an appreciable decline in price may be expected on turnips and potatoes.

The duty on hay has been reduced by the Underwood bill from $4 to $2 per ton. Dairy farmers in Massachusetts do not raise all the hay that they need, and this factor in the law will make it possible to buy hay from Canada, rather than from the Western States, and thus save a large part of the freight.

FLOUR.

The United States is rapidly approaching a point where it will not produce enough wheat to supply the needs of the people. Naturally the first place to which we will turn to make up any deficit will be Canada. Recognizing this condition of affairs the Underwood bill has reduced the duty on wheat and placed flour on the free list.

NECESSITIES REDUCED.

Many other products might be mentioned upon which the Underwood bill either reduces the duty or places on the free list. The chief ones are enumerated in a following table. The duty on sugar has been reduced, and in three years it will go on the free list. This will mean an immediate reduction in the price of this commodity.

The immediate effect of the tariff upon prices is a question upon which many men differ. While admitting that it is a complex subject, it can be said that the benefits of tariff reductions on food products are likely to appear more quickly than on other products. No one will accuse the Massachusetts Cost of Living Commission of 1910 with believing that all our ills could be solved by the removal of the tariff, yet it said:

> Its (the removal of the tariff) importance comes from the fact that we are soon going to buy a material part of our food outside our own limits. It would further have the very beneficial consequence of removing what chance may now exist to "corner" food products—a chance that puts the public at the mercy of the speculator and the trust. To some extent, also, it would lessen our dependence on the seasons and the weather. Bad harvests rarely occur over all the world.

This same commission summed up in its report the principle which has guided the Democrats in framing the Underwood bill. It says:

> We submit, therefore, that it is a wise economic policy to give the people free access to those articles of food that call for the bulk of the expenditure of the masses. For purpose of revenue it may be wise to tax somewhat the comforts, and the heaviest duties should be levied on the luxuries, but the food necessities of life should be "free."

A table showing the reduction in duties on the necessities of life follows. The reductions are material ones, and will greatly benefit the consumer.

Necessities of life.

Article.	Rate of duty on ad valorem basis.	
	Act 1909 (for fiscal year 1912).	H. R. 3321.
Bacon and hams	16.72	Free.
Beef, veal, mutton, lamb, and pork, fresh	15.90	Free.
Fresh milk	14.91	Free.
Cream	6.06	Free.
Milk, preserved, etc	27.95	Free.
Oatmeal and rolled oats	16.75	Free.
Potatoes	47.87	Free.
Rye flour	13.09	Free.
Swine	13.84	Free.
Wheat flour	25.00	Free.
Buckwheat flour	25.00	Free.
Corn	16.73	Free.
Corn meal	11.50	Free.
Fresh-water fish	6.72	Free.
Herring	12.86	Free.
Fish, n. s. p. f.	13.32	Free.
Mackerel, halibut, or salmon	16.21	Free.
Cotton cloth	42.75	26.44
Wool cloth	94.03	35.00
Cattle	27.07	10.00
Sheep	16.41	10.00
Barley	43.05	23.08
Macaroni	34.25	23.81
Oats	38.74	28.57
Cleaned rice	54.05	33.33
Wheat	20.03	14.29
Butter	25.51	12.00
Cheese	31.79	20.00
Beans	25.48	15.62
Eggs	36.38	14.28
Onions	46.42	26.67
Peas	14.36	9.55
Cabbages	26.21	15.00
Prunes	12.23	7.29
Raisins	26.00	21.82
Sugar	48.54	36.25
Lemons	64.85	24.03
Pineapples in bulk	29.26	17.86
Poultry, dead	35.60	18.18
Poultry, live	13.10	6.67
Vinegar	33.03	17.39

LABOR.

A world-wide market for food will prevent monopoly. Cornering the market will be out of the question, and that the wage earner will benefit by being able to buy his supplies in an open

market is indisputable. Moreover, the opening of our ports to an increased supply of free raw materials will enable our manufacturers to expand our export trade. This will mean an increased demand for labor.

The wage earners of this country are to receive a further advantage under the provisions of this bill. Not only have import duties been lowered on the necessities of life and monopolies prevented, but the burdens of taxation have been more equitably distributed.

THE INCOME TAX.

A tax is to be levied on the incomes of those who demand the greatest assistance from the Government in protecting their property and who are most favorably situated to meet this expense. This tax will be levied on all who have an income in excess of $4,000 and will replace the revenue now obtained by taxes on the necessities of life. The present import duties on sugar, breadstuffs, meats, and dairy products amount each year to about $60,000,000. As shown by the table above, practically all of these necessities have been placed on the free list or reduced by a large margin. The $60,000,000 now obtained by a tax on food, which constitutes the greater proportion of the expenditures of those of modest means will, under the provisions of our bill, be raised by an income tax instead.

CUSTOMS ADMINISTRATIVE FEATURES.

The committee has not been content merely to change the provisions of the bill which now impose inequitable taxes. We have gone further, with a view to improving the effectiveness of the administration of the customs laws.

Numerous frauds have been brought to light of late which confirm the general opinion that our import duties are not properly executed. The Ways and Means Committee have taken into consideration the changed conditions which the expansion of our commercial relations has brought about. The administrative features of the bill have been so modified as to make it possible to collect the duties imposed by law. The powers of the customs officials to get at the facts with regard to prices and values of articles of foreign manufacture have been materially increased for this purpose.

These changes are too technical, for the most part, to be taken up here in detail, but I wish to point out one of the important additions which we propose to make in this bill which will reduce fraud by undervaluation to a minimum.

THE "ANTIDUMPING" PROVISION.

The paragraph covering this provision is called the "antidumping" clause, and stipulates that whenever articles are exported to the United States of a class or kind produced here, if the actual selling price to the American importer is less than the fair market value of the same article when sold for home consumption in the exporting country, there shall be levied, in addition to the usual duties, a special, or "dumping," duty of 15 per cent on the difference between the normal market value and the price at which it was sold for exportation. This dumping duty is to apply, whenever there is occasion, to all goods on which there is less than a 50 per cent rate.

Inasmuch as the regular duties are levied on the selling, or invoice price, it has been difficult to detect fraud by undervaluation, although the local market price of the exporting country was well known to our consular service and customs collectors. The dumping duty will serve as an automatic check against fraud, in that importers will find it to their disadvantage to place a value on merchandise which is below its fair market value, for this practice would at once place them under suspicion in case of deliberate undervaluation, or subject them to a surtax of 15 per cent in case goods were being dumped on our market.

Another feature of this new provision is that there will be increased stability in prices. The dumping duty will discourage foreign countries from unloading a large temporary surplus on our markets, which tends for a period to disturb prices and to unsettle business. Obviously this provision will be a great benefit to the American producer.

An indirect benefit, and a very important one, which arises from increased uniformity in prices and the absence of unnatural fluctuation in market values is that the revenue of the Government will be more dependable and more accurately estimated. This tariff bill has been drawn on a revenue basis. We wish to make sure that there will be sufficient funds available to run the Government. On the other hand, we do not wish an unwarranted surplus, which means excessive taxation. In order to determine with any exactness the amount of revenue to be expected from the different tariff schedules, we must have a definite basis for our calculations. The market values of articles in the country from whence exported are easy to ascertain, and will afford the assistance which is so essential to a satisfactory administration of our customs laws.

The dumping provision has been in effect in Canada since 1907 in practically the same form as proposed in the committee's bill. We have every assurance that it has been successfully used there; and inasmuch as Canada is one of our nearest competitors, it behooves us to take a like action to insure us against discrimination.

NEW INDUSTRIAL ERA.

There comes a time in the industrial development of every country when its manufacturers must turn their attention to the conquest of world markets. In the United States we have had up to the present time a vast domestic market, which has grown relatively less and less in comparison with our expanding industries. Production is rapidly overtaking consumption, and thoughtful manufacturers realize that unless they increase our export trade the domestic market will soon mark the limits of their development. Industrially, we have progressed to a point where such tariff rates as are embodied in the Payne-Aldrich law cease to encourage industry, but impede and arrest it. Blind to the changes which have taken place in our industrial life during the last decade, the Republicans have stubbornly adhered to a worn-out and obsolete system of exclusion and are now relying upon the prejudices of the people to defeat the careful reforms of the Democratic Party.

The sweeping victory of the party last November was not only a demand to revise the tariff in the interests of the consumer, it was a demand to revise it in the interests of the industrial classes and the manufacturer as well. At that time the Nation turned its back on the policy of national exclusiveness and faced the world in contest for industrial and commercial supremacy. If our manufactures are to expand, if the facilities of the Panama Canal and the unlimited opportunities of the markets of South America and the Orient are to be availed of, the barriers which hold the manufacturers of the Nation back must be removed; artificiality in industry must be eliminated, and the manufacturer must learn to face foreign competition at home so that he may successfully meet it in neutral markets abroad. Our permanent industrial strength lies in the reduction of the tariff.

CONCLUSION.

The consumer above all others will be benefited by the enactment of the new tariff law. He has faced during the past decade a rising cost of living, which is in large part due to the prohibitive tariff of the Republican Party. The Democratic Party does not claim that the downward revision of the tariff is a panacea for all our social and economic ills, but it does claim that in so far as the tariff, either actually or potentially, burdens the consumer, it should be changed, and the lowering of tariff duties is the principal need of the day. The time has come in our national development not only when our manufactured goods must seek markets abroad, but when the consumer must import from abroad a part of his foodstuffs. Trade is reciprocal. We can not expect to sell abroad if we do not buy abroad. Freer trade in food and raw materials means industrial strength and relief to the consumer. It is thus that the producer and consumer stand together, the beneficiaries of the new era in American tariff legislation.

The Democratic Party proposes with the enactment of the new tariff bill to remove present discriminations in the law, to encourage increased expansion in our export trade, to provide for a more stable and economic basis for our business interests, and by a change in the rates of duty and through the medium of an income tax and better provisions for the administration of our tariff laws to more equitably distribute the burdens of taxation. [Applause on the Democratic side.]

I believe that when this bill is enacted and industry has adjusted itself to it the tariff will be out of politics and there will ensue a period of unprecedented industrial activity in this country.

This is the people's tariff bill. It marks a new era in the social and industrial development of our great country.

Mr. MANN. Mr. Chairman, will the gentleman yield for a question?

Mr. PETERS. Certainly.

Mr. MANN. In reference to subsection 7 of paragraph J of section 4, do I understand that makes a reduction of 5 per cent in the rate of duties imposed in the bill on goods which are imported in American bottoms?

Mr. PETERS. Yes; it does.

Mr. MANN. Does that mean that on all goods which are imported in American bottoms the tariff rate will be 95 per cent of the rate fixed in the bill?

Mr. PETERS. No.

Mr. MANN. I am not playing upon words. Of course, if there is a reduction of 5 per cent, that leaves 95 per cent, as I understand it, and 95 per cent will be the amount to be paid.

Mr. PETERS. No; the regular duties will be paid, and there is to be a rebate from those duties of 5 per cent to the importer.

Mr. MANN. Would the gentleman read the paragraph and see what it says?

Mr. PETERS. Will the gentleman give the page?

Mr. MANN. Well, I do not remember the page.

Mr. UNDERWOOD. If the gentleman from Illinois will allow me to answer the question I will be glad to do so.

Mr. MANN. Certainly; I want to get the information.

Mr. UNDERWOOD. There is a rebate allowed of 5 per cent on the duties collected at the customhouse from any goods coming in an American vessel. Now, to illustrate, it brings it to a very simple proposition. If there is a ship which comes in and the importer gets goods from the customhouse, the duties on which amount to $1,000, there will be a discount of 5 per cent, which means $50 will be taken off, and he will pay the customhouse tax of $950.

Mr. MANN. That is what I understood; it is a discount, not a rebate.

Mr. UNDERWOOD. No; it is a discount.

Mr. MANN. Now, a further question I wish to ask the gentleman is, What effect will that have upon subsection 1 of paragraph J, which imposes a duty of 10 per cent discriminatory against all vessels which brings goods in paying the same rate of duty as vessels of the United States?

Mr. UNDERWOOD. The gentleman misinterprets the two sections. They are not involved at all. Subsection 7 of paragraph J gives a discount on goods coming into this country. Subsection 1 is a reenactment of the present law and has been a reenactment of the present law for many years.

Mr. MANN. I understand that.

Mr. UNDERWOOD. I admit the language of it is considerably involved, but it was not changed because it has been construed by the courts, and we left it alone.

Mr. MANN. I am very sure the gentleman will, if he reexamines that carefully, because he will find reason for changing it.

Mr. UNDERWOOD. Not at all, because the gentleman does not realize the purpose of the two sections.

Mr. MANN. I do realize the purpose of the two sections.

Mr. UNDERWOOD. If he does, the gentleman readily sees there is no conflict between them at all, because section 1 is to be applicable when a country discriminates against our ships going into their ports and has nothing whatever to do with goods coming from other ports into our ports. It is for an entirely different purpose, but when we reach that section I will be glad to explain it further.

Mr. MANN. I will call attention to it, and I hope the gentleman will be here to explain it then if I have an opportunity to address the House.

Mr. AUSTIN. Mr. Chairman, I desire to ask the gentleman from Massachusetts a question.

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Tennessee?

Mr. PETERS. Certainly.

Mr. AUSTIN. Is it the opinion of the Member from Massachusetts that the placing of boots and shoes upon the free list will help the New England boot and shoe industry?

Mr. PETERS. I think the boot and shoe industry under the provisions of this bill receives very great and substantial advantages.

Mr. AUSTIN. Then it will be a benefit rather than a detriment to the boot and shoe business in Massachusetts to put boots and shoes on the free list?

Mr. PETERS. I believe the provisions of this bill are a great advantage to the boot and shoe industry of the United States.

Mr. AUSTIN. I am asking a specific and direct question, and the gentleman should give a specific and direct answer.

Mr. PETERS. I am giving a specific and direct answer, and if the gentleman does not like my answer that is not my fault. [Applause on the Democratic side.]

Mr. AUSTIN. I will ask the gentleman another question. He speaks about securing free coal under the operations of this bill. Does that mean Massachusetts will secure its coal supply from Newfoundland or continue to buy coal from West Virginia?

Mr. PETERS. The gentleman realizes that it depends upon the market price at the point to be delivered. I suppose some of the coal will be brought down from the Nova Scotia Peninsula or else the rate from Tennessee be lowered.

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Michigan [Mr. FORDNEY].

Mr. FORDNEY. Mr. Chairman and gentlemen, if I could name this bill I would change its title so it would read "A bill to lower wages, to close factories, to spread disaster broadcast in the United States, and build up industries abroad." [Applause on the Republican side.] I believe the bill if enacted will bring about those results.

I am sorry to be called upon at this time to defend the protective policy of the Republican Party which in the past has brought the greatest measure of prosperity to the American people they have ever enjoyed since the beginning of the Republic.

Experience of the past brings me to believe the rates of duty provided for in this bill, if enacted into law in their present form, will not bring the people of this country the relief which its friends predict, but will have a very opposite effect.

Nineteen years ago the Democratic Party, then having control of both branches of Congress and the Executive, presented a bill in general terms and principles remarkably similar to this bill. It was known as the Wilson-Gorman bill and was enacted into law, and the results which followed are well known to that portion of our population who were then of age. The authors of that bill predicted that with its passage great happiness and prosperity would come to the people of the United States. They claimed values to the consumers would be lowered; that increased employment would be given to our labor; that an increased demand for labor would increase wages; and that increased wages would reflect prosperity upon the whole land; that the laboring man would be able to purchase more of the necessities of life for his daily wage, and that, although prices would be lowered to the consumers, no producers thereby would be injured. At that time prominent Republicans opposed that measure most vigorously and urged, as Republicans urge now, that inadequate tariff rates on American-made products would flood our markets with foreign goods produced by foreign cheap labor, and that increased importations would curtail home production and employment of American labor and result in hard times. Whose contention was right then? It is all a matter of record, and I beg of you not to close your eyes to it.

It will be remembered that in 1892 the people of this country were prosperous. The crops were never more bountiful than during that year. The factories never ran more at full time than then. Labor demanded the highest scale of wages that had ever been paid in the factories or on the farms of the United States, and prosperity was everywhere to be found in this country. By just such misrepresentations by politicians from the platform and through yellow journals and magazines as have been so much in evidence of late the seed of discontent was sown until the people believed they should have a change. A change was made and was made at a time when our fields of golden grain throughout the land were most bountiful. Our factories were running full blast, labor was receiving remunerative wages, capital realized fair to extraordinary returns for investments, our banks were well filled, and our mines never more productive.

The change was made, it came upon us quickly, for almost in the passing of a night and the twinkling of an eye something caused a halt; property values shrunk more than one-half; factories closed down or ran on short time; fires were extinguished in our smelting furnaces; bank failures occurred daily in every State in the Union, and $2,000,000,000 worth of railroad property went in the hands of receivers; laboring men were dressed in rags and tramping the country far and wide seeking employment; poverty and suffering existed in humble homes, and Coxey's armies marched toward the Capital. The change transformed a land of sunshine and plenty into one of destitution and discontent. What was the cause? Can any intelligent man attribute all this disaster to other than that Democratic tariff law, which opened wide the gates of that wall of protection which had been built about the Nation by the Republican Party? Under that Democratic measure the products of foreign countries, produced by the cheapest labor in the world, flooded our markets, and, due to idleness, the purchasing power of the great masses of our people was either cut in two or completely destroyed. Can any honest man say, in a firm belief, any other cause than this Democratic tariff law occasioned all this distress? Identically the same policies and the same theories of that tariff law are set forth in the present bill. Can any man point out any difference between the two, except that the Wilson-Gorman tariff bill provided for higher rates of duty than does this bill?

At the time of the consideration of the Wilson-Gorman bill the free-wool era had just been ushered in by just such rainbow prophecies of the glorious results that would follow as have

been heard from the champions of the present bill. On one of these occasions Hon. William M. Springer, of Illinois, said:

Pass this bill and thousands of feet heretofore bare and thousands of limbs, naked or covered with rags, will be clothed with suitable garments, and the condition of all the people will be improved. It will give employment to 50,000 more operators in the woolen mills; it will increase the demand for wool, and prices will increase; and with increased demand for labor wages will increase. Those who favor its passage may be assured that they have done something to scatter plenty o'er a smiling land.

In a way the buoyant prophecies of this gifted statesman were realized. Plenty was scattered o'er a smiling land, but not America—it was England. Before this Democratic experiment in tariff for revenue only had been in operation six months the woolen mills of England were working overtime and bread lines and soup houses and other forms of public charities were supporting the idle operators of the American woolen mills. It had the result of distributing plenty to the people of a smiling land across the sea—the opposite effect to that predicted by this illustrious statesman.

William Jennings Bryan, on the floor of the House, on January 13, 1894, said:

Speaking for myself it is immaterial, in my judgment, whether the sheep grower receives any benefit from the tariff or not. Whether he does or does not, I am for free wool in order that our woolen manufacturers, unburdened by a tax upon foreign wool and unburdened by a like tax upon home-grown wool, may manufacture for a wider market.

Under the legislation advocated by Mr. Bryan, a measure not very different from the one now under consideration, the American manufacturers with free wool lost one-half of the American market and sold in foreign markets in such small proportions that it did not faze the plenty and prosperity that was scattered o'er the smiling land of England and all Europe, for while the woolen manufacturers were greatly depressed in this country they prospered as never before on the other side of the Atlantic, where the *Wilson-Gorman law had bestowed a gift of many millions of dollars worth of American business to exultant English manufacturers.* Helmuth Schwartz & Co.'s annual report for 1895 declared:

The dominant factor in the past 12 months has been the recovery and rapid development of export trade of wool and woolens to the United States under the stimulating influence of free wool and lower tariff rates on woolen goods.

That year—1895—thanks to Mr. Bryan and other gentlemen who enacted the Wilson-Gorman tariff law, was described as "*the most prosperous, judging by the volume of exports, that the English manufacturers of woolens had enjoyed since 1890.*" This beneficent Democratic tariff law endowed many an English woolen manufacturer with the means of adequately supporting the honors of knighthood granted by a grateful sovereign.

The gleeful Bradford Journal, in its annual review of the English woolen trade for 1895, spoke of the year as the most extraordinary of the waning century and attributed the great prosperity to the more reasonable tariff adopted by the United States.

The London Times joined in the chorus of rejoicers and said:

There is room for doubt whether outside the West Riding of Yorkshire it is at all generally realized that the year 1895 witnessed a revival of the worsted industry of such magnitude as to be a matter not only for local but for national congratulation. After long years of depression, the varying, sometimes doubtless, intermitted gloom, which had lately become painfully intense, the great manufacturing district of which Bradford is the center, was visited last year by the full sunshine of prosperity.

All of which the London Times proceeded to attribute, roughly speaking, to the Wilson tariff, which came into effective operation in the last months of 1894 in place of the "strangling system of duties" associated with the name of McKinley.

There was your smiling land. There was the bountiful and the plenty.

My friends, I will, in the time given to me, try to touch the high spots in a few of the schedules on which you have been working so industriously with your pruning knife. I will take up the things in which the people I have the honor to represent directly, in the eighth district of Michigan, are most interested. You propose, as the Irishman did with his dog, to take a little bit off of the sugar schedule at a time, so that it will not hurt so much.

That is the way the Irishman cut his dog's ears. He cut a little from them every day, so that it would not punish the dog so much. You propose by this bill to put sugar on the free list at the end of three years, and at the present time to lower the duty a little over 25 per cent below the duty now provided for by law. There has not been one scintilla of evidence presented to the Committee on Ways and Means in their hearings before they began the fixing of rates in this bill; there was not one scintilla of evidence presented to the Hardwick Sugar Investigating Committee from any source, except the Sugar Trusts and two canning companies, asking for a lower rate of duty on sugar. None at all. One Frank C. Lowry is very much in evidence in the handbook printed by our Democratic friends, members of the Ways and Means Committee. Who is Frank C. Lowry? He is the paid lobbyist of the sugar refining companies of New York and the sales agent for the Federal Sugar Co., of which Mr. August Spreckels is the president. He claims to be the secretary of a wholesale grocerymen's association, and when before the Hardwick committee, and when before the Committee on Ways and Means in January last, Mr. Lowry admitted under oath there had never been a meeting of more than himself and one other member of that wholesale grocerymen's association, which is advocating free sugar, and such meetings were held when he, Mr. Lowry, called upon the grocerymen, who permitted him to use their names. He further admitted there never was any weekly, monthly, semiannual, or annual dues paid by any member of the association. They never had a meeting. There was no organization whatever, but he, Mr. Lowry, had received *many* thousands of dollars from this Mr. Spreckels, president of the Federal Sugar Co., to send broadcast over this land as coming from this association literature asking Members of Congress to vote for free trade on sugar.

Who is Mr. Spreckels, and what firm does he represent? There are many of the Spreckels family, all estimable gentlemen. I disagree with them in their political views; that is all. Mr. August Spreckels, if I am right, is president of the Federal Sugar Refining Co. of New York. Mr. Lowry, his representative, testified before the Hardwick investigating committee that of the $10,000,000 of stock issued by that company only about $3,200,000 had been paid in cash, and all the balance of the $10,000,000 of stock was watered stock.

I asked him if the pump had not been kept going industriously when they ground out that stock. [Laughter.] He made the statement—and perhaps the gentleman from Georgia [Mr. HARDWICK] will attempt to answer this point, too—Mr. Lowry made the statement or complaint that a certain firm in the State of Michigan had a very large amount of common stock, and because of his compiaint of that amount of common stock the interesting fact was brought out concerning the common stock in his own company.

He stated that two-thirds of the stock issued to the Michigan Sugar Co. was common stock and therefore watered stock. This statement is incorrect. The Michigan Sugar Co., when organized, purchased eight sugar factories in the State of Michigan, two of which have been dismantled and moved to another part of the country, and the new capital put in by the new organization represents the preferred stock, and all the capital invested in all those factories when they were first built represents the common stock, or the most of it, at least. One million or a million and a half out of some ten or twelve million dollars' capital is the only amount of watered stock in the concern, as I remember the testimony, and the testimony presented to the Hardwick committee bears out that statement.

There are in the State of Michigan to-day 16 sugar factories, representing an investment in plants and working capital of nearly $20,000,000. There are 32,000 farmers in the State of Michigan raising sugar beets, among whom those factories last year distributed $8,000,000 for the purchase of beets. Those factories pay in freight to the railroads of Michigan nearly $2,000,000 per year. They turn out from $12,000,000 to $15,000,000 worth of finished product—granulated sugar—each year. The people of that State consume about one-half of that sugar.

Heretofore, before those factories were built, we exported that money to some foreign country and furnished employment to foreigners to produce the sugar which we in the State of Michigan consumed. To-day we are not only producing all the sugar we consume, and therefore keeping the money at home, but we are making and exporting from the State to other States from $6,000,000 to $8,000,000 worth of sugar each year.

There are located in the United States over 70 beet-sugar factories making granulated sugar. I believe but one out of the whole number produces raw sugar—a factory in California, owned, I believe, by the Spreckels. And, by the way, before I get away from the Spreckels, who are so industrious, and before I get away from Mr. Lowry, whose handwriting is clearly seen all through the sugar schedule of this bill, for it is evident our Democratic friends have listened attentively to Mr. Lowry and the Spreckels family in writing the tariff schedule on sugar, I want to say that there is another Mr. Spreckels in San Francisco, who was a most ardent supporter, personally and finan-

cially, so I am informed, of President Wilson last year. There is no discredit in that, but if newspaper reports are correct this Mr. Rudolph Spreckels, who lives on the Pacific coast, is now slated for appointment as minister to Germany. And between August Spreckels, of New York, and Rudolph Spreckels, of San Francisco, God help the sugar industry in the middle. [Applause and laughter on the Republican side.]

The beet-sugar crop comes on the market generally in the fall, in October, and goes off the market in May, and during the time when the domestic product is on the market the lowest price of sugar exists that can be found in the land at any time of the year. Why? Because beet sugar is sold in nearly every State in the Union, and is sold at a lower price than refined sugar made from cane; not because it is not equal in quality, but because of the keen competition between those seventy-odd beet-sugar factories in this country. The price of sugar is brought down to a minimum to the consumer, and the very instant our domestic sugar goes off the market up goes the price of sugar in New York.

There never has been a time in the history of this land, except once, when sugar was as low as it is to-day. That time was when the McKinley law was in effect. Sugar was then upon the free list, and, in order to protect the domestic industry, a bounty of 2 cents a pound was paid by the Federal Government. At no other time in our history has the price of sugar been as low to the consumer as it is to-day.

Mr. Lowry, who evidently aided so much in the preparation of this bill, made the statement under oath to the committee that in this country refined sugar was always sold at the lowest price in the city of New York. A gentleman from Michigan engaged in the beet-sugar industry followed him, and his testimony under oath was most convincing evidence in support of adequate protection to the home industry, and showed the utter falsity of Mr. Lowry's statement. In part it is as follows:

I venture to say here, and I will give specific illustrations of the truth of my statements, that there was not a minute between the 10th day of October, 1912, and the 1st day of January, 1913, when the cost of domestic sugar delivered at any point in the United States, from the Mississippi River to the Allegheny Mountains, and between the Ohio River and the Canadian boundary, was not less than the quotation in New York. The highest price of sugar in the territory mentioned would be the price in the Twin Cities, Minneapolis and St. Paul, where the rate of freight is 30 cents. The maximum base price of beet sugar in the time indicated was 4.50; add 30 cents freight to it and you get a quotation of 4.80 in the Twin Cities, whereas the quotation in New York itself was 4.90. A few days after this, open 4.50 quotations went into effect, the price of domestic beet sugar in the Twin Cities and throughout that section of the country where the freight rate is highest, declined to a 4.35 basis, and add 30 cents to that and you get 4.65, the delivered price.

Take it in the city of Chicago. The city of Chicago has been buying beet sugar during this interval at a base price as low as 4.20, whereas the cash price in New York, with the exception of one or two refiners who cut it 5 points, has been, during that period, 4.90. The delivered price of beet sugar in the city of Chicago has been as low as 4.42½, and I know some sales that were made at 4.40, delivered in Chicago, whereas the price of cane sugar in New York was 4.90. You take, for instance, Cincinnati. The prevailing price for beet sugar in Cincinnati during this time had been 4.40 plus 19¼ cents for the delivered price, and that makes 4.59¼ cents, the delivered price in Cincinnati, as against 4.90 in New York.

Now we will take the city of Detroit: 4.40 plus 17¼ cents makes 4.57¼ cents in Detroit as against 4.90 in New York. I say, gentlemen, that the delivered price of beet sugar in the United States between the dates indicated—when the beet crop came on the market and the 1st day of January—and in the territory described has been below the price of cane sugar in New York, thus controverting the statement that has been made here that the price of sugar in New York, under the eaves of the refineries, is the lowest price of sugar in the United States. I have given the distinct statement here and the quotations are before me. The proof is right here, and if any gentleman desires to have this substantiated any further than by my naked statement, which I have given under oath, I will furnish you invoices and settlements to substantiate every word I have said.

Not only has the delivered price of beet sugar throughout this great interior district been lower this year than the price of cane sugar at the very doors of the eastern refineries but beet sugar has been sold all this season in every State in the Union except six or eight, and in nearly every market it has entered the delivered price of beet sugar has been from 40 to 50 cents per 100 pounds below the delivered price of cane sugar in that same market.

Were there time I could show you that this is no unusual condition. I could show you that a year ago the advent of beet sugar not only checked the arbitrary high price of cane sugar, fixed by the very refiners who are here asking for free trade or low duties, but forced these same refiners to drop their prices from 1¼ to 2 cents per pound throughout the entire United States.

Now, why has this condition prevailed? Because these seventy-odd beet-sugar factories are competing with each other in this territory, and there have been only three potent cane refineries competing with themselves on the selling price of cane sugar. This is the reason that the prices of beet sugar during the beet-sugar season, in which we are now engaged, have been made independent of the price of cane sugar, and the low quotations that I have just given you are brought about by this competition between the beet-sugar people themselves. That is what I am getting at, and I bring it out for this purpose that if you wish to throttle that kind of competition and to turn this market over to the three refining companies who are asking for a low tariff or free trade on sugar you will introduce into the economic policy of this country the absence of that competition which you are trying to give to the people of the United States in order to regulate the price of foodstuffs.

Now, you have your choice of placing this matter of price in the hands of a great number of people who are competing for the market or putting it in the hands of three concerns. There is the whole question in a nutshell. Why? The honorable committee, in the report of the majority members of the committee accompanying their last bill on sugar, said that the cost of sugar in Germany, raw sugar, ranged from 1.96 to 2.07, and that the cost of refined sugar in Germany was 2.41½. The Michigan Sugar Co., I think, buys its sugar as cheaply as does any other company, and the Michigan Sugar Co. has paid for the extractable sugar in the beet during the time that it has been in operation $2.62 a hundred before beginning the process of manufacturing.

Gentlemen, raw material before it is touched in the factories costs $2.62 per hundred, and the cost of the sugar in Germany raw, ready for refinery, or refined sugar ready for the table is the price indicated, and there is but one thing for the domestic industry to do if they compete without a tariff with the foreign sugar—go out of business.

To drive it further home, Cuban sugar is selling to-day in New York for February, delivered, at 2⅛ cents per pound in bond. You add 1.35 (round numbers), the Cuban tariff on that sugar, and you get 3.41, but leave out the tariff and that Cuban sugar, laid down in New York at the present daily quotation, costs but $2.06 per hundred pounds. I say that with that cost on foreign sugar they must go out of business unless something stands between them and that cost of foreign sugar, and when the domestic beet sugar goes out of existence you come to this one thing: That you have removed the only competition that stands between those three men and the feeding of 90,000,000 people with a necessity of life.

Gentlemen, if you put the great sugar industry upon the basis of free trade this is what you will do: You will make it possible for the great refining industries of this country which have the capacity to refine all the sugar 150,000,000 people would consume without adding any machinery to their present equipment, to arbitrarily fix the price of sugar, and you will put the consumers of this country in one of two positions. If the price does not go down to the consumer, then the domestic industry can survive, but under that condition you will rob the Treasury of the United States of more than $50,000,000 revenue which it is now collecting on imported sugar, and you will put that much money into the pockets of the refiners at New York. Or, if the price of sugar is lowered to the consumer just the amount of the reduction of the duty, you will then wipe out of existence this domestic industry, and as soon as that has been accomplished, once more the great refining interests of this country will control the supply of our sugar.

Go back only to 1911, during the summer months, when there was no domestic sugar upon the market, and what do we find? We found sugar in New York going as high as 7½ cents per pound f. o. b. New York. What was the occasion of that increased price of sugar, jumping up from 5½ cents per pound to 7½ cents per pound? It was because of the publications in the papers of New York that the price of refined sugar was based upon European raws, f. o. b. New York, or in bond in New York, plus the duty, which gave a quotation of $6.40 per hundred pounds for raw sugar, duty paid, delivered at the refineries in New York. Then they added to that amount 40 cents for refining and 60 cents per hundred pounds for profit and sold it at 7½ cents per pound, and claimed that they were justified in charging that price. Also remember at that time there was no beet sugar for sale. I obtained through the Treasury Department a certified copy of all of the importations of sugar into this country during those months, and for 12 months prior to that time, in every port of entry in the United States and from every country in the world from which a pound of sugar came, and there were no importations from Europe during the whole 16 months, with the single exception of confectionery sugar, which sold at 14 cents a pound. So the statement that European raws were selling on the New York market for $6.40 was incorrect. The highest price paid for any sugar in any month during the whole 16 months was $2.74 a hundred pounds. The sugar-refining companies of this country could have made a normal profit and put that sugar on the market for $5.20 a hun-

dred pounds, but they charged 7½ a pound for it because there was no domestic competition. Yet our Democratic friends wish to wipe out of existence this domestic sugar industry of this country for the purpose, they say, of lowering the price, and thereby benefiting the consumers.

My Democratic friends, you have gone one step further. Boneblack is used in the refining of sugar. It is used chiefly in this country by the sugar-refining companies. Heretofore it has been on the protected list. You have now placed it on the free list, so that the Sugar Trust can buy abroad what boneblack is used—some 36,000,000 to 40,000,000 pounds a year—to aid in further lowering the cost of production, to punish domestic industries. The beet-sugar manufacturers use no boneblack at all.

Gentlemen, if your theories in 1894 were correct—that free trade would build up industries in this country, thereby aiding the laboring men of this country, and aiding also the consumer—if your arguments then were correct, your arguments to-day are correct. But were they correct then? No. You will admit and every other honest man will admit that you made a grievous mistake then.

One man said to me the other day, "Don't talk about the panic of 1894, 1895, and 1896; it is so far back I can't remember it." He reminded me of the Irishman when the girl in the hotel brought him a bowl of soup. He asked what kind of soup it was. She replied, "Ox-tail soup." "Begorra," said he, "that is from a long ways back, isn't it?" [Laughter.]

It is a long ways back—20 years—yes; but I was on earth at that time and in business. I was then in the flour-milling business, and I want to answer the gentleman from Minnesota [Mr. HAMMOND] in regard to flour, for I have some knowledge of the manufacture of flour. I put $20,000 into a flour mill, and I remained in the business just as long as my money lasted, and when the company busted I went out of business; that was in 1896.

The gentleman from Minnesota tries to justify the lower rate of duty on wheat and free trade in flour. You may say that it is not free trade in flour; but it is free trade in flour in every sense of the word, because every country that wants our markets for their flour will take advantage of this proviso and remove their import duty; but it will not benefit our millers, for we do not sell flour to countries engaged in exporting flour to the United States.

What is the existing law? The gentleman from Minnesota, a gentleman for whom I have the highest regard, has by his industry taken care most thoughtfully of the great flouring mills of Minneapolis, St. Paul, and Duluth. Under existing law these mills can to-day import wheat in bond, mill it in bond, and ship it abroad without the payment of duty; but under existing law the by-products—bran and middlings—must also go abroad if milled in bond, and if it remains here it pays duty.

There is another provision of law under which the mills can bring in wheat from Canada, Alberta, and Saskatchewan, the greatest wheat country in the world, pay the duty of 25 cents per bushel, and when shipping abroad the manufactured product can get a drawback of 99 per cent of the duty paid; but this payment of duty on the by-product is the sticker. Some mill men appeared before the Ways and Means Committee four years ago begging the committee to put this by-product on the free list because they could not ship these by-products abroad. I know as a miller, from the experience I paid for, what this means.

Now, what have you done, my Democratic friends? You have provided in your bill that wheat can be imported into this country, and when the chief product of the raw material is shipped abroad, which is the flour out of the grain, no duty shall be collected upon the by-product, or in other words, that 99 per cent of the duty paid shall be refunded to the miller as a drawback.

Therefore under this bill you make it possible for the great mills in that country, some of which turn out as many as 12,000 to 15,000 barrels of flour a day, to import all the wheat they need for grinding flour for export without the payment of any duty at all except 1 per cent on 10 cents a bushel, and most of these great mills have water power which enables them to drive out of existence any mill which does not have cheap power.

What does it mean to the miller, my friend? It means free trade in wheat for every mill that wishes to grind flour for export.

I wish that some men in my State could take care of the industries of Michigan as well as the gentleman from Minnesota and other members of the committee have taken care of the great flouring mills of the Northwest. The gentleman says that our exports in agricultural products have fallen off. If they had increased he would have contended that we could compete, so why is this not positive proof that we need more protection?

Replying to his statement about increased exportations of manufactured goods and decreased exportations of agricultural products, I would say there has not been the change which the gentleman from Minnesota indicates. While it is true that the volume of our manufactured goods exported in 1910 is much greater than the value of our manufactured goods exported in 1880, it is equally true that the volume of our manufactured goods in 1910 is much greater than in 1880.

In 1880 we made $5,000,000,000 worth of manufactured goods, of which we exported $122,000,000 worth, or 2.4 per cent of our production. In 1910 we manufactured $21,000,000,000 worth of manufactured articles, of which we exported $667,000,000 worth, or 3.1 per cent of our production.

It will thus be seen that in 1880 we consumed at home 97.6 per cent of the manufactured articles we produced, while in 1910 we consumed 96.9 per cent of the manufactured articles we produced.

The Democratic policy says we must give our entire attention to enlarging our foreign trade, and the gentleman from Minnesota contends that if our manufacturers can export to the markets of the world we should greatly reduce our tariff and permit the manufacturers of the world to come here and compete in the United States with our own manufacturers. The fallacy of the argument is this: The Democratic Party would look after the 2 or 3 per cent of manufactured articles which we export, while the Republican policy would guard our home markets, which consume 97 to 98 per cent of the manufactured articles which we produce. Under the Republican doctrine our home manufacturers have increased their production from five to twenty-one billion dollars since 1880, whereas they have only increased their export trade from one hundred and twenty-two to six hundred and sixty-seven million dollars in the same time. In other words, the Republican Party thinks it a matter of greatest importance to the welfare of the people of the United States that the home markets, which consume 97 to 98 per cent of all our manufactured products should be most jealously guarded and that we should take potluck with the other nations of the world with the 2 per cent we send abroad. Moreover, we believe in such a law that will enable our manufacturers to increase the volume of their products in 30 years from five billion to twenty-one billion dollars rather than to follow the Democratic doctrine which would stop these manufacturers and give foreigners access to our markets, the greatest markets for manufactured articles in the world.

Now, I want to quote the gentleman from Alabama [Mr. UNDERWOOD]. He said yesterday in his remarks that his party would not injure a legitimate industry. If free trade is an injury to legitimate industry, what do you call the growing of wool? Is that a legitimate or an illegitimate industry? Free wool, as was the case under the Wilson-Gorman law, will destroy or greatly retard the woolgrowing industry and the sheep industry in this country unless the cost of living may keep up the price of mutton.

Therefore, by placing wool upon the free list, the gentleman from Alabama [Mr. UNDERWOOD] and his party have branded the wool industry of this country as an illegitimate industry. When wool was placed on the free list in the Wilson-Gorman bill in 1894 our flock of sheep dwindled from about 50,000,000 head to 35,000,000 head inside of 36 months, and the value of sheep dwindled from $5 and $6 per head to from 75 cents to $1.50 a head. I remember in the winter of 1895 and 1896, in my home city, of seeing sleighs with hayracks upon them coming into town with the carcasses of sheep piled up like stacks of hay—your choice for 75 cents. Low cost of living all right, but the devil of it was nobody had the 75 cents. [Laughter.]

Mr. AUSTIN. What do they sell for to-day?

Mr. FORDNEY. The Tariff Board report shows that in 1911 the average sheep in the country was valued at $5.30 a head. Last fall during the campaign I saw a consignment of 100 head of 8-month lambs sold at the rate of $6.86 per head. I sold wool in the State of Michigan in 1896 for 7 cents a pound under free trade on wool. I went out of the business because I lost my farm. The man who held the mortgage changed places with me. [Laughter.]

Mr. LANGLEY. What will 8-month lambs be worth under the Underwood bill?

Mr. FORDNEY. Oh, it will be like the fellow down at Chase's Theater this week. He was employed by a gang of thieves to assassinate people. He said that he would charge $15 a head for killing young ladies, $10 a head for married women, $5 a head for married men, and old maids for 15 cents a bunch; and the latter is about what those lambs will be worth. [Laughter.]

The gentleman from Alabama said the country is waiting for this bill to become a law. It is, with fear and trembling, my Democratic friends. [Laughter on the Republican side.] The people of Dayton, Ohio, waited for the flood, with fear and trembling, and it came, and what was the result? The people at Johnstown, Pa., a few years ago waited for the flood to come onto them after the great dam at the foot of a lake had broken, and when the flood came, what happened? The people of the country in 1894 waited for the Wilson-Gorman bill to become a law. It became a law, and heaven knows and you know what it brought—disaster, poverty, hunger, idleness, closed factories, and widespread ruin. It not only brought this, but it brought Coxey and his army to Washington, and when he got here what did he find? He found signs down here along the paths, "Coxey, keep off the grass." [Laughter.] The Russians waited at Port Arthur for the Japanese to come; they came. The Russians flew. Anyone who waits for destruction waits with fear and trembling, as the people of the United States wait for this bill to become a law.

Our good friend the President, in his message to Congress, said:

Whetting our wits, the object of the tariff.

He is somewhat late with this remark. The Wilson-Gorman bill was the originator of these words. That bill sharpened the wits of the voters in the United States, and at the November election of 1896 they went into the voting places all over this land with pencils sharpened at both ends and for a succeeding period of 16 years with whetted wits outwitted the free traders.

What have you done for the farmers of this country in this bill? You began with a pruning knife, sharp and keen, and you never failed to clip the feathers of a farmer every time his head bobbed up. You have left the duty on rye and on hops only, as it is in the present Payne tariff law.

I have figured on the basis of your reductions on the agricultural products, on just some of the products in the State of Michigan, which I have the honor in part to represent, and taking some products of the farm, not including animals, poultry, fruit, and so on, but just grain, potatoes, hay, etc., and from a fair estimate, if the reductions of the duty you have made will lower the price of those articles to the consumer the amount of duty removed, it will cost the farmers of Michigan from $75,000,000 to $100,000,000 a year to sustain the Democratic Party in power. They will willingly pay for their folly. The man who dances must pay the fiddler. The voters last fall danced, and the fiddler is at work. They will pay that price for two years, but as certain as the day follows the night, my friends, put this bill into effect and they will pay you back in your own coin.

You have reduced their wheat 60 per cent below the rate now fixed by law. You have placed potatoes on the free list as in 1894, when I saw potatoes sell for 12½ cents per bushel in the State of Michigan, and as a farmer sold them myself that year—one wagon load—the balance I fed to the hogs and then sold the hogs at 3 cents a pound. [Laughter.] I sold that load of potatoes for 12½ cents per bushel in the city of Saginaw in 1896. We had a most bountiful crop at that time, and that year Canada shipped into the State of Michigan, through the ports of entry at Port Huron and Detroit, a thousand and five carloads of potatoes, selling them at 12½ and 15 cents per bushel wholesale, and I never saw so many people hungry for potatoes in all my life. Why, they were so low in price it did not pay to steal them even. [Laughter.] Horses were so cheap one could afford to go afoot. [Laughter.] The very best of cattle, 3-year-old steers, I sold from my farm in 1895, in the State of Michigan, 3-year-old fat cattle, for $22 a head which would now bring me from $90 to $120 a head. Did free trade have anything to do with those values?

You propose to lower the price of those articles to the consumer. You certainly will lower prices. No intelligent man will dispute it; but by lowering prices the natural consequence is that the price of labor will also go down, and when the laboring man's purchasing power is lowered in a greater proportion than the necessaries of life, have you brought living any nearer to him? You know, my friends, that when you last had the power to put upon our statute books a free-trade bill—as you may call it, because there is a lot of free trade in the bill—and had exercised that power 3,000,000 of laboring men in this country were out of employment, which then constituted one-half the laboring men of the United States, and the wages of the other half were cut in two. Did you bring the necessaries of life any nearer to the consumers by such action than they are to-day? You will agree with me that we are fairly prosperous in this country to-day. You talk about extending our products across the sea, extending our commerce, getting a greater proportion of the world's markets than we now enjoy. The committee has an abundance of evidence before it that in England, Germany, and France, where the highest wages in any foreign country in the world are paid, the wages of those countries are less than half what is paid for the same class of labor in American mills and on American farms. How can you, my friends, meet the competition of foreign products of the farm and factory where labor enters largely into the cost of production? How can you meet the competition of that cheap labor in foreign countries unless you force the American standard of living and the American standard of wages down to the level of the cheap labor of the Orient and of Europe? [Applause on the Republican side.]

That kind of reasoning, my friends, was patented by an ex-Senator from the State of Indiana when he said in a speech that he favored a law, and he said that law can be written and shall be written, that will lower the hours for a day's work in this country. "I favor a law," said he, "and that law shall be written, that will increase the day's pay for that labor. I favor a law," said he, "and that law shall be written, that will lower the cost of the product of that man's labor." Oh, what nonsense. A barber a few days ago said to me it was practical to put into effect such a law. I said, "My friend, you know more about your own business than about any other man's business. You will admit that, will you not?" "Yes." "You are a barber working 10 hours a day." "Yes." "You are now cutting a man's hair, for which you charge 25 cents." "Yes." "Now, to lower the cost of the product of your labor is to lower the price for which you are cutting a man's hair." "Yes." "How are you going to work 8 hours a day instead of 10, cut men's hair for 15 cents instead of 25—lower the product of your labor—and yet increase your income? Tell me that, will you?" He said, "Oh, well, now, Mr. FORDNEY, that is not a fair illustration." "Well, it is one you know all about, and when you figure it out I will then listen to you in regard to the product of some other man's labor." And he has not figured it out yet. That is exactly identical, my friends, with your proposition, and as Congressman Springer claimed 20 years ago that by lowering the rate of duty on woolens and putting wool upon the free list we would give employment to 50,000 more employees in the woolen mills of this country; that we would increase wages, increase the demand for labor, and lower the price of the product to the consumer. That is what you propose to do now.

You certainly will lower the price to the consumer, but you will not bring the products which make up the necessaries of life any nearer to the poor people than they are to-day. You are mistaken, my friends. Aye, I give you credit for being candid, and I will say to the chairman of that committee, as I have often said before, that I hold him in the highest esteem and as a most estimable gentleman. I only differ with him in my political views. I believe I am right and that he is wrong in his conclusions. I appeal to you, before you force upon the people of this country this bill of which you are the author and which, in my opinion, will bring back practically such conditions as this country experienced from 1894 to 1897, to be most careful in your consideration of the rates you are fixing.

Who came before the Committee on Ways and Means asking for lower rates of duty? The importers of this country in great numbers. One gentleman from New York, as I now remember, a man by the name of Goldman, asked for lower rates of duty on wool and woolens, because the woolen mills of this country, as he said, were making excessive profits, and when pinned down to the facts in the case he knew nothing about any profit that any factories in this country were making. But he did know that in his own business, as a manufacturer of ready-made clothing, on a $200,000 investment, $50,000 of which was invested in machinery—and he also said that he borrowed some money—he did $3,000,000 worth of business per year; that he had reaped the magnificent profit of 9 per cent on $3,000,000, or $270,000 profit on a capital of $200,000, and was complaining about the great profits that the woolen manufacturers have made, but not asking for any lower rates of duty on his own products—ready-made clothing.

Gentlemen, what does the Tariff Board say about wool? They say that the rates of duty as provided for in the present tariff law, or some of the rates, are too high. But I can not find in their report a single utterance to the effect that 11 cents a pound on wool of the first class is too high—on a 50 per cent shrinking wool—to give adequate protection to the woolgrowers of this country.

The importations of class 1 wool are about a 50 per cent shrinking wool. They show that the cost of production of our best wools, wools of the first class, in this country are from 11 to 12 cents per pound after crediting up to the flock all the money received for the sale of sheep and lambs. They find that in South America, after giving the same credits to the

flock, wool is produced there at from 4 to 5 cents per pound. They find in Australia, after giving the same credits to the flock, that there is practically no charge to the wool of Australia, except in the most remote parts of the country. So when Australian wool comes to the markets of the United States and meets the wool produced by the woolgrowers in this country, the American goes onto the market with a cost of 11 and 12 cents per pound on wool in the grease and meets the Australian wools with no charge against it. The wool of Australia is practically a by-product. Is it possible, then, for the American woolgrowers at that cost, under free wool, to compete in the markets of this country with foreign wool with very slight cost? I can not see that it is possible for them to do so.

Under the McKinley law the wool clip in the United States had reached 348,500,000 pounds in 1893, the largest clip ever grown in this country; nearly double the largest clip ever grown in Great Britain up to that time and when that country grew all the combing wool for the world's use; as large as the wool clip of Argentine Republic as late as 1888; as large as the wool clip of Australia as late as 1895; and equal to one-third of the available wool supply of all manufacturing nations as late as 1860.

The wool clip of the United States in 1893 was worth to the farmers of the country $52,200,000. The clip of 1896, according to current estimates, would not exceed $21,000,000 in value. That is what free wool did for our farmers the last time the experiment was tried by a Democratic Congress.

The Wilson-Gorman tariff law, as has been said, put raw wool on the free list and provided duties ranging from 40 to 50 per cent ad valorem on manufactured goods. The present Democratic tariff bill proposes to place raw wool on the free list and reduce the duties on manufactured goods to 35 per cent ad valorem. This bill is therefore a very much more radical measure than the Wilson-Gorman law of 1894, that whetted our wits so keenly. On the great amount of foreign goods that will come into the United States the rates in this bill are nearly one-third lower than the law of 1894, which brought ruin to the woolgrower and manufacturer alike. Wool values shrunk during the life of that bill from 40 to 50 per cent; the value of sheep shrunk more than 50 per cent; and the growing of wool and the raising of sheep was not profitable to the farmers of the United States. Since the repeal of the Wilson-Gorman law, in 1897, wages in the woolen mills of America have advanced on an average more than 50 per cent. These American wages are more than twice as high as English wages in the same calling, according to the comparisons presented in the Tariff Board's report. The wages of men engaged in the woolgrowing industry of the United States have also greatly increased since 1897. Yet the Democratic leaders, blind to the teachings of experience, have now brought forward a tariff measure calculated to wreck the woolgrowing and wool-manufacturing industry even more completely than they were wrecked by the law of 1894, that great wit whetter.

Representatives of the National Association of Wool Manufacturers, in presenting their views to the Committee on Ways and Means in the hearings during the month of January last, said in part:

> Accepting in good faith and with full confidence in its sincerity the assurance of the new administration that no legitimate business will be injured by the contemplated revision of the tariff, the National Association of Wool Manufacturers appears before your committee to urge a counsel of caution by indicating the conditions under which the woolen industry has been developed in the United States, and the impossibility of its continuance unless the rates of duty and the method of their application are such as will, under all the varying conditions of trade and fluctuations of values, permit the domestic manufacturers successfully to meet the competition of their foreign business rivals. The woolen industry claims its place among the legitimate businesses of the people, for it was brought into existence in consequence of various Federal laws enacted for the express purpose of developing that business in this country. Its existence has been possible only because of such laws, and the operations and conduct of the business have been in strict conformity with law, the domestic woolen trade having been in an unusual degree free from complaint of lawbreaking.
>
> Simultaneously with the competition for labor there was created by the increasing productive capacity a competition in the sale of products that has steadily reduced the margins of profit now in the case of the woolen industry the normal manufacturing profit is probably less than that of any of the other domestic industries and is certainly as little as in the woolen industry of Great Britain or the other manufacturing countries of Europe.

How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has 10 minutes remaining.

Mr. FORDNEY. In the 10 minutes I can not say all I would like to say; but I do want to say this, my friends: When the Republican Party went out of power in 1893 and the Democratic Party came into power it has ever since been claimed by the Democratic Party that the Republican Party left matters in such shape that the result was a panic because of a depleted Treasury. This morning before coming to the House I picked up a Treasury report, and I find that to-day there is in the Treasury of the United States in the redemption fund and in the Treasury to redeem gold certificates outstanding and in the general fund $1,256,000,000 of gold coin and gold bullion. Never in the history of the world was there ever more than $600,000,000 in any treasury in the world.

Mr. HARDWICK. Mr. Chairman, will the gentleman yield for just a moment?

The CHAIRMAN. Does the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HARDWICK. Will the gentleman state how much surplus the Republican administration left in the Treasury on the 4th of March?

Mr. FORDNEY. Of this year?

Mr. HARDWICK. Yes.

Mr. FORDNEY. My friend, they left you with enough to run the machinery of the Government, and now, when prosperity is abroad over the land, you have not yet had to resort to the issuing of Government bonds. But heaven knows you will if you put this bill into effect. [Applause on the Republican side.]

I want to call your attention to this fact, that you can not hereafter claim that because of the condition of the Treasury and because of the condition of our revenues as compared with our expenditures you can attribute the next panic to the administration of William H. Taft. [Applause on the Republican side.]

You may say that we have a little more surplus in the Treasury to-day than we had a year ago. Is it due to the economy of the Democratic Party, when, during the last session of Congress, you admitted that you made greater appropriations than had been made by any previous Congress? I set about the other day to figure how long it would take to accumulate a fund sufficient to meet the annual expenditures of the Federal Government with such appropriations as you made last session; and at the rate of a dollar a minute, in order to create that fund, I found that it would have had to been started 200 years before the birth of Christ, and then you would not have enough to-day. [Applause on the Republican side.]

You are spending some money, and that money must come from some direction. The people of this country must pay it. You propose to put sugar on the free list, and there has never been a country under the sun in modern times that ever had sugar on the free list except England for a short while.

Mr. HARDWICK. England never did have a duty on sugar until after the Boer War began.

Mr. FORDNEY. I excepted England, the gentleman will observe, but it is true that from 1660 down to 1874 England maintained a duty on imported sugar, and at one time, as late as 1840, that duty ranged as high as 38 cents per pound. In 1874 she placed sugar on the free list and at that time was refining at home 95 per cent of her home consumption. Sugar remained on the free list in England from 1874 down to 1901 and during that period most of her refineries were relegated to the scrap heap. That is England's experience with free sugar. At the time of the Boer War she again placed a duty on sugar of 90 cents per 100 pounds, and in 1908 lowered the duty to 40.1 cents per 100 pounds. She is now refining about 45 per cent of her home consumption. Therefore during the past 253 years England has maintained a duty on sugar nine-tenths of the time. Her experience with free trade on sugar is anything but an argument in favor of your free-sugar proposition. As soon as they got into that trouble they put a duty on sugar.

There is no country in the world except England where a dollar will buy more granulated sugar than it will buy in the United States this very minute. [Applause on the Republican side.]

But when you consider a man's daily purchasing power, rather than his pay in dollars and cents, and that is the real test of the cost of living, you will find the average laboring man can buy 43 pounds of sugar for a day's work in this country, whereas an Englishman can buy but 21 pounds for his day's work. [Applause on the Republican side.]

Permit me for a moment to refer to cotton. You come from the land of cotton, my Democratic friends, and you have paid your respects to the cotton-manufacturing industry of the North. How? One Mr. Parker, of South Carolina, president of 16 cotton factories, testified before the Committee on Ways and Means that we could stand a reduction of duty on cotton goods. I asked Mr. Parker whether there was any difference in the scale of wages paid in his State or in his part of the South as compared with the rate of wages paid in the cotton mills in the North. You remember much has been said about the pauper wages paid in the cotton mills in the State of

Massachusetts. Mr. Parker said he found upon investigation that there was no practical difference between the rates of wages paid in his locality and in the North.

Now, since Mr. Parker made that statement I have been investigating, and let me tell you what I find. I find the highest wages paid in the cotton mills of any State in the Union, with the single exception of Pennsylvania, are paid in the State of Massachusetts.

Mr. GREENE of Massachusetts. And how about the hours of labor?

Mr. FORDNEY. I am basing the rate of wages upon the same hours per day.

I find, moreover, the lowest scale of wages paid in any State in the Union, except Tennessee, which has but few mills, are paid in the two States, North and South Carolina, where Mr. Parker's factories are located.

Mr. GREENE of Massachusetts. That is right.

Mr. FORDNEY. Let me tell you what that difference is: Basing the average wages paid in the cotton mills in North and South Carolina on 300 days' employment the wages are 85 cents a day—the magnificent sum of 85 cents a day in North Carolina and South Carolina. In the same way, basing a man's pay on 300 days per year in the North, and especially in Massachusetts, what did I find? I found the rate of wages paid in cotton mills in the North to be 62 per cent higher than the rate of wages paid by Mr. Parker.

Consider that, gentlemen. Adequate protection to the products of the factories in North and South Carolina means destruction to the cotton mills in New England. You say we can export some of our cotton products. That is true of certain grades where machinery does the largest part of the manufacturing. We find that cotton factories in the United States last year, with 29,500,000 spindles, consumed practically 5,000,000 bales of cotton, while England, with 54,200,000 spindles, consumed but 3,500,000 bales. What does that prove? It proves that we are making the coarser grades of cotton where machinery does the largest portion of the work of production, and that England, with her cheap labor, is making the higher grades of goods which require a larger amount of hand labor. That is what it proves.

France to-day admits our raw cotton free of duty, but she imposes a very high rate of duty on manufactured goods. If a manufacturer from the United States to-day took into France knit goods, such as hosiery and knit gloves, the product of one bale of raw cotton manufactured, he would have to take along a sum equal to the price of 11 bales of raw cotton to pay the duty on the manufactured product of that one bale of manufactured cottons. That is what France is doing to protect her cotton mills.

If you go to Germany it is about the same. Further than that, the railroads of Germany impose a higher freight rate on imports going into Germany from a seaport to an inland town than on goods that originate in Germany; but in order to encourage the exportation of her goods she gives a lower rate of freight on goods from an interior town to a seaport, where the goods are to be exported, than she gives on goods for consumption within the boundaries of Germany.

Germany would give us anything on this green earth under a reciprocity agreement if she could only get into our markets with her raw sugar free. She is the great beet-sugar producing country of the world, and Mr. Lowry states that the German farmer receives more per ton for his beets, delivered at the factories in Germany, than the farmers of this country receive.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. Will the gentleman give me a few minutes more?

Mr. PAYNE. How many minutes? The gentleman knows that my proportion of time is over now.

Mr. FORDNEY. Yes. Will the gentleman give me 10 minutes?

Mr. PAYNE. Yes; I will give the gentleman 10 minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 10 minutes.

Mr. FORDNEY. The statement of Mr. Lowry is absolutely incorrect. It is as misleading as all other statements made by that free-trade lobbyist of the Sugar Trust in this country. They have in Germany cooperative factories, where the farmers own the stock of those factories. When those farmers haul their beets to the factory they get an average price of $4.45 per ton. That was the price for beets last year, according to German statistics. But when the season's grind has been turned out, for the purpose of evading a corporation tax, instead of paying a dividend to their stockholders, they call back the farmers who furnished the beets and pay them their profit as an increased price upon their beets, and not as a profit upon their stock. That is for the sole purpose of evading the payment of a corporation tax. But the factories that are not cooperative paid last year in Germany $4.45 a ton for their beets, containing a fraction above 17 per cent of saccharine content, whereas the factories of this country last year paid $6.50 per ton for beets containing a 15 per cent saccharine content. That is the difference between the price paid in this country and the low price paid in Germany. In France the price received by the farmers was $4.22 a ton for beets containing 17 per cent of sugar.

In Germany and France this industry has gone on for a hundred years, and the farmers have become educated so that they get a larger percentage of sugar in their beets by more intense or practical cultivation. And there is extracted to-day from a ton of beets in Germany, testing 17 per cent, 30 to 40 pounds more sugar than can be extracted from a ton of beets in this country, testing exactly the same percentage, due to the greater purity of the sugar content. So that the price of the sugar content in the beets of the factories in Germany is one-third to one-half lower than to the factories of this country. The contention of the gentleman from New York on that point, therefore, is absolutely wrong.

Now, as a compliment to my friend from New York, Mr. Goldman, who wants a lower rate of duty on woolens—the Tariff Board, whose report you absolutely ignore, a report made by three Republicans and two Democrats, a unanimous report, does not recommend rates for us to fix in the law, but furnishes us with the facts as it finds them. They followed the wool from the sheep's back to the man's back, as an illustration, and what did they find? They found that it required 9.7 pounds of wool to make an average suit of ready-made clothing that sells in the market for about $23. They found, without crediting the farmer with the interest invested in the sheep, he made 68 cents profit on that 9.7 pounds of wool. Figuring 6 per cent interest on the money invested left him 20 cents profit on that 9.7 pounds of wool, which is practically a fleece and a half, or the wool from a sheep and a half. They found, when following the cost to the factory, that the farmer received 16 cents a pound for the wool, and the manufacturer paid 23 cents for the wool delivered at his factory. When sold as cloth to make the suit of clothes, the manufacturer's product was 17 cents on the pattern for a suit of clothes.

But when it went to Mr. Goldman, of New York, to manufacture ready-made clothing, when he converted that cloth into a suit of clothes, his profit was $2.25. He sells the suit of clothes for $16.50, and it is retailed for $23. That is according to the report of the Tariff Board. So the farmer made 20 cents after allowing him interest on the money invested in his sheep, the woolen manufacturer made 17 cents, and Mr. Goldman makes $2.25, and then the retailer in some way gets $6.50 for his trouble, insurance, expense, and profit.

I ask you which of the four men needs protection, Mr. Goldman, the retailer, the farmer, or the manufacturer? Remember, my friends, that the manufacturers of woolen goods to-day in this county are employing 200,000 American workmen. Are you going to, by closing the doors of these factories, turn one-half of these laboring men out of employment as you did in 1894, cut the income of the other half in two, and do likewise with the 275,000 men in your cotton mills? According to your promise you are going to reduce the price by one-half, and yet you are going to make this a land of sunshine where milk and honey will flow, where men can sit around in idleness, have more to eat, more to wear, more to say, and less to do. [Laughter and applause on the Republican side.] That is your proposition.

In conclusion, gentlemen, in preparing this bill you have repudiated the Tariff Board and its reports; you have turned a deaf ear to the sworn testimony of our manufacturers, preferring to accept statements from importers as to the cost of manufacturing; you have closed your eyes to what past experience has shown; and, in short, in the fixing of tariff rates you have inaugurated a guessing contest of heretofore unheard of magnitude upon the result of which hangs the industrial welfare of our Nation.

I thank you, gentlemen. [Loud applause on the Republican side.]

Mr. GORDON. Will the gentleman yield for a question?

Mr. FORDNEY. Yes.

Mr. GORDON. How does the gentleman figure that the panic of 1893 was caused by a tariff law that was not enacted until 1894?

Mr. FORDNEY. Anticipation, my friend, is everything on this earth, and if anticipation will bring on a panic, what will the enactment of the law do?

Mr. GORDON. One other question. How does it come that this bill, which is a lower tariff rate in its average than the Wilson law, has not brought on a corresponding panic?

Mr. FORDNEY. Because the coffers of the laboring men and the banks are full to overflowing, and they will not feel the effect of it until their hard-earned savings have been depleted. [Applause on the Republican side.]

Mr. UNDERWOOD. Mr. Chairman, I now yield to the gentleman from Louisiana [Mr. ASWELL].

A REPLY TO REPUBLICAN CRITICS.

Mr. ASWELL. Mr. Chairman, the new Members of this House on the Democratic side have during the past few days been repeatedly advised with paternal solicitude by the minority as to what position we should take with reference to the pending tariff bill. We have been chided for doing all we could in the Democratic caucus for the industries of our own States and for supporting the bill now after it has been indorsed by an overwhelming majority of the Democratic House. We have been told that the leaders of the Democratic Party are trying to coerce us by withholding patronage and by delaying committee assignments until after the tariff bill has been passed. We are told that we are being bossed, and that it is cowardly not to break away from the Democratic leaders, and thus create a spirit of revolt in the ranks of the Democracy of the country.

I come from a section where there is but one party, and that party is sometimes divided into two factions—the "ins" and the "outs." The assets, the stock in trade, of the "outs" is to create a spirit of dissatisfaction, of restlessness, of revolt among the rank and file of the "ins," and thus pluck away some of the support of the majority. It is an old, old game; but, Mr. Chairman, I did not expect to find any of this caliber of peanut politics in this great body. When I was a schoolboy in the country I read with cordial interest and even with a feeling of reverence the inspiring speeches of the reformers and leaders of the minority party in the Congress of the United States. I noted that the minority was always opposed to what was actually being done; but somehow I got the impression that these leaders of the minority were inspired men. In my childish mind I could see them—great tall men, with soulful eyes, each wearing a white plume, sitting on a prancing charger, leading the toiling masses out from the bondage of the majority into lavish wealth and boundless freedom.

But since coming here I find that they are not wearing any white plumes, and they are not even sitting on a horse. They are sitting on the fence waiting to find out what position the Democratic majority will take, so they can oppose that position. [Applause on the Democratic side.]

As to our being coerced by delaying committee assignments, the Committee on Ways and Means asked the Democratic caucus for instructions on this point, and that committee was instructed to delay all other matters and devote themselves now to this tariff legislation, because the people are demanding and have a right to expect immediate action in the interest of the legitimate industries of the country. The new Members participated in giving these instructions, and the new Members on the Democratic side are satisfied.

As to the other charges against the Ways and Means Committee and against the President of the United States, that the new Members are being whipped into line by withholding patronage, I wish to speak as one of the new Members. The men whom I have recommended for postmasters have been nominated. I have been in Washington for two months. I have visited the President, and I have been thrown with the Speaker of the House and the chairman of the Ways and Means Committee. I live at a hotel with several members of the Ways and Means Committee, and I have never had one word of advice, a suggestion, or a request as to how I should vote, what I should do, or what I should not do. It remains for me as a new Member to be called upon to express profound and lasting gratitude for paternal solicitude as to how I should vote, sympathetically and repeatedly expressed by both prongs of the forked minority of the House. [Applause and laughter.]

To the able and respected floor leader of the long prong of the forked minority, whose chief at the November election was retired permanently to private life because he is a natural-born private citizen, I wish respectfully to say that whether the new Members have rings or ropes in their noses, as he expressed it, we are voluntarily and vigorously in favor of this tariff revision downward in the interest of the American consumers, and we will fight for this bill as it came from the Democratic caucus, his graceful effort to cause dissension to the contrary notwithstanding. No one knows better than he that the surest way to destroy a party is to create discord in its ranks.

To the able, eloquent, and very noisy leader of the other and shorter prong of the minority, sometimes called Bull Moosers, I wish to say, with respect, that his solicitous concern lest the new Members on the Democratic side by voting with the majority should be called cowards and weaklings is gratefully appreciated. But Bull Moose has been analyzed, and the analysis at the November election showed only 1 per cent Moose and the other 99 per cent is being used here, as it was successfully used with the Republicans, in an effort to confuse and disrupt the Democratic Party, if possible, by dissatisfying the new Members.

If it had been left to the new Members, several other articles which the farmers have to buy, such as hats, clothing, all woolen garments, matches, buttons, brooms, books, paper, pottery, and cutlery, including castor oil, would be added to the free list, and our revenue would come from the income tax and luxuries, including beverages, silks, rubber, and diamonds. You high-tariff gentlemen should be satisfied and thankful for an average reduction of only 26 per cent, as this bill carries.

We, the new Members, come fresh from the homes and firesides of the people. We have felt their pulse. We know their hopes, their expectations, and their demands. We are determined to obey them. The American people have expressed their will in unmistakable terms by indorsing not the Republican high-tariff platforms but by accepting the Baltimore Democratic platform for a revision of the tariff downward and by directing and ordering the Democratic Party to assume full responsibility and to express that will in definite, concrete action in the interest of the producing, toiling, consuming masses who give character and hope to this Republic. [Applause.]

The people have willed it, and it is your duty and mine to obey their will by enacting into law this tariff bill, which is the longest step taken within a hundred years in giving justice to the rich and the poor alike by creating equal, competitive mobility of opportunity in our approach to a real democracy.

The new Members feel the solemn pledges made our people, and with all the courage and manhood we possess this new Member will fulfill those pledges by supporting a Democratic measure which the people on last November ordered enacted into law.

Gentlemen, your game is moss covered [laughter and applause], your methods are crude, the new Members on this side are happy, and Democracy is united and triumphant.

Our leaders are not enforced, but selected voluntarily and joyously, and we shall fight this battle for the plain people of America honestly, courageously, and loyally to the end.

In the Democratic caucus I worked earnestly for the industries of my State. If I should write a tariff bill there are several changes I would make in this bill. Several provisions do not please me or my home people, but on the whole the bill is Democratic and is in line with the Baltimore platform. So much better is it than our present tariff laws, that as a Democrat I shall defend it all the way against the Republican attacks. [Applause on the Democratic side.] In doing this I am only obeying the will of my people and the people of the entire country, who have decreed by their ballots that the laborer, the producer, and the consumer shall be freed from the oppressive hand of the privileged classes who have been in partnership with the Government to plunder the toiling masses and rob them of their just share of the products of their labors. A new era has come, a new day is approaching when the burden of the oppressed shall be lightened, and men and women and children in all walks of life shall be free. The Democratic Party has been commissioned to work out this high destiny, and with our able leaders working in harmony with these patriotic men, we shall not fail to serve faithfully and well those who have trusted and commissioned us. [Tremendous applause.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Chairman and gentlemen, I have remained here for two days listening to the arguments expressed on this floor, and to my surprise I find the minority party presenting the views that this great Government is the guardian of the industries of this Nation. I hold to the tenet that this Government does not hold the dollar above the man. I hold to the tenet that this Government should levy tribute for no purpose except to defray the honest and legitimate expenses of the Government economically administered. I hold to the tenet that a tariff to protect industries is unconstitutional. I hold to the tenet that this Government is for the people and not for the privileged classes. The distinguished gentleman from Massachusetts [Mr. GARDNER] told you that the old Republican ship was soon to come into port in the shape of a dreadnought. I thought he discovered last November that this great ship which has been afloat on the seas of politics for 60 years had been loaded with a cargo of special privileges, combines, monopolies, trusts, and a high-

protective tariff. Does not the gentleman know that ex-President Roosevelt scuttled the ship, and she now has her stern sticking above the waters, a sad memento of the pristine glories of the old Republican Party? I want to say to the gentleman from Wyoming [Mr. MONDELL] that we have no oligarchy, as he describes, that framed this tariff bill, but a band of patriots united in one important purpose, and that is to give to every man, woman, and child in this whole Republic a square and honest deal. That band of men had no whip, as he said, held over them by the White House, waiting for the shaking of the plum tree. I want to say the President of the United States needs no defense at the hands of this Congress. The American people have confidence in him. They know that he is standing for the plain people of this country. They know that the President of this Republic is not marching hand in hand with the great protected industries and the special privileged classes to oppress the people.

I want to say to my distinguished friend from Wyoming, when he said that way back yonder the old patriarch stood out with his staff and saw the star of Bethlehem and went to see the newborn Saviour, and he said those shepherds now in the West were being oppressed because of the fact this Democratic Congress was threatening them with free wool. Well, I want to tell him those shepherds in Palestine did not go and say to the mother of the Saviour, You must pay tribute on wool. Is it possible that this Republican from Wyoming wants the cold winds of the fall and winter to fall against the bare bones of the little boys and girls of this country? Is it possible that the owners of the great flocks of sheep want to hold up the price of wool so that the poor people of this country can not buy woolen clothing? I want to say to my friend that the great Woolen Trust, the great manufacturers of this country, do not intend these producers of wool to get any more for it, even if there were a 50 per cent protective tariff on it. They control the price of wool; the producer has nothing to do with it. Do you not know free wool will not reduce the price of wool one dime? When you analyze it, the great trust that controls the buying of hides for the shoe industry, the great trust that controls the buying of wool, will not let the producers of this country fix the price. That is as absolute as the law of the Medes and Persians. [Applause.] My friend then discussed the sugar question. Why, I did not know that the American Government owed any special duty to any man engaged in any industry to be fed out of the pockets of labor. Listen. In the State of Louisiana, according to the figures, there are 329,000 acres of land under sugar-cane culture; there are only $30,000,000 invested, and this Government permits a tax of $115,000,000 a year, $4.92 to the average family of five, to be collected out of the pockets of the people of this country to protect the sugar and the beet industry of this Republic. The evidence before the Committee on Ways and Means shows that the sugar industry, so far as the beet business is concerned, can prosper under free sugar.

Do you not know that under the figures submitted you can give $30,000,000 to the cane-sugar planters of Louisiana, and in addition thereto give them $258 per acre for every acre of land that they have under culture and have a few dollars left out of this $115,000,000 that you collect every year in the shape of a tariff that goes only one-third to the Government? My friend then talks about the laboring man and the farmer. He does not know what a farmer is. He knows of the ranchman and the landlord. I will tell him what a farmer is. He is a patriot who gets up at 4 o'clock in the morning, goes out to the barn and feeds his mule; gets back, eats a little breakfast, gets on that mule and goes to the field and plows hard until 12 o'clock. The dinner horn blows, he takes out, he trots up to the house, eats a little dinner, hurries back to the field, and plows right along as long as he can see. [Applause.]

You talk about being a friend to that fellow! I tell you what you Republicans have done. You put a high tariff on the plow which he uses, on the harness he puts on his mule; you put a high tariff on the lumber in his house and on the bed he sleeps in. You put a tariff on the brick which he put into his chimney. You placed a tariff on his wife's dress, and you put a tariff on the wire fence that goes around his field, and on the wagon with which he hauls his produce to town. Do you tell me you know that man? You could not have known him or you would not have treated him so mean.

You did not stop with that. You built great battleships out of his pocket and provided for a big standing army. He kept these big factories that you have been protecting with these special privileges going. He is the man who has kept all the wheels of the factories that you pretend have been running for the interests of the laboring men moving. He is the man who keeps the salaries of the Congressmen paid. You certainly can not be his friend! [Applause on the Democratic side.]

It is the policy of the Republican Party to keep poor people poor. You do not want them to get up in life. You want to build fortunes for multimillionaires, to be guarded by the battleships you have been building out of the pockets of the poor man.

I want to say that these farmers had a reckoning last November. [Applause on the Democratic side.] They sent a crowd to Congress that is going to stand up for them. They put a President in the White House who is going to stand up for their cause. The farmer is a patriot who has fought the battles of this country. He is the fellow who caused the flag to float over this building. He is the fellow that won our independence from Great Britain. He is ready now to defend this Government when enemies attack it, and I for one am going to stand by him and fight for his rights. [Applause on the Democratic side.] The farmer that I know down in the vegetable district is the man who with his wife and his family, from the little child of 4 years old up to the young lady with the sweet bloom of health upon her, is out in the field at work from early dawn to as late as they can see at night, working those vegetables, so that the family can live, even if they have been constantly robbed by the tariff barons and overcharged by the transportation companies. And I want to tell you something else: You Republicans have kept this man from getting the value of his products. The transportation companies of the country have charged him about 55 per cent of the gross value of his vegetables to get them to the markets. And then you have had him taxed to death for the fertilizers and agricultural implements which he uses to make his crop. We are going to put all agricultural implements of every kind, together with lumber and barb wire, on the free list.

But I want to say that those are the people democracy is going to help; those are the people the Democratic Party is going to stand up for.

You talk about these great special industries you have been standing for. You want them to steal from the people so that they can help the laboring man, do you? Let us see. You give to the shoe industry the privilege to rob him on his shoes and to the hat industry to rob him on the hat he wears and to the clothing industry the privilege of robbing him on his clothing, and you charge him a tariff on the bucket in which he carries his food and 20 per cent on the bread and biscuits in that bucket. You charge him a tariff on the house in which he has to live. Do you mean to tell sensible people that you believe in the laboring man? You import all the foreign scum of creation here to lower the price of his wages. Are you his friend? Do you believe in protecting these great industries and at the same time having a free market for labor? You want all the competing forces of alien races, the inferior races of this world, to be brought in here and placed in competition with the Caucasian labor of America. Do you not know that labor receives its rights only through organization? I believe in unions; I believe in labor organizations. That is the way the laborers get the value of their work, and even then they can not get a sufficient value. Do you not know that the great railway companies of this country to-day would not be paying the laboring man half the price they do if it were not for all the transportation men and shopmen having their various unions and organizations? That is plain. Every man knows that it is true. Do you not know that when this great strike occurred up at Lawrence, Mass., in that woolen industry which you gentlemen had given a privilege to rob the people all the way from 75 to 125 per cent, that those little children, although they were working in a woolen industry, were going around half naked and without a rag of wool on them?

That is the way you favor the laboring man. Is it not time to let democracy stand up and do something for the people of this Republic? Is it not time for you to say, "Let democracy put in force a bill that stands for the integrity of manhood; that stands for womanhood; that stands for patriotism?" Let democracy put in a bill that is going to take away all special privileges; that is going to break down monopoly; that is going to stop the great forces of the money power from reaching out in every direction, even to the little $25,000 crossroad banks in Mississippi, bossing them with a tyrannical hand and a Shylock spirit.

Why, my friends, you know you have sent out literature in every style, type, shape, and form, for the purpose of fooling the American people. You even have it so now that every cashier of a little crossroad bank, will put his thumbs in the armholes of his vest and talk about "we." He thinks he is like Mr. John D. Rockefeller. He thinks he is like Mr. Carnegie. He is a protectionist. He believes you ought to give some great manufacturing interest the privilege of robbing all the people.

I do not think that any industry ought to want to reach down into the pockets of the people of this Republic and take away

from them an unfair proportion of the rewards of their toil; and for one, I am going to stand by this bill. I am going to stand by the Democratic leader. [Applause on the Democratic side.] I am going to stand with the President of this Nation. [Applause on the Democratic side.]

The CHAIRMAN (Mr. CRISP). The time of the gentleman from Mississippi has expired.

Mr. CLARK of Florida. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The CHAIRMAN. The Chair understands that the time is controlled by the gentleman from Alabama [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Chairman, I would be glad to yield further time to the gentleman from Mississippi, but the gentleman will understand that that would interfere with the allotment of time to be given other gentlemen.

Mr. GUDGER. Mr. Chairman, I suggest that the gentleman from Florida [Mr. CLARK] may be willing to be given the gentleman from Mississippi [Mr. QUIN] 10 minutes of his time.

The CHAIRMAN. Will the gentleman from New York [Mr. PAYNE] apportion some of his time?

Mr. MANN. Mr. Chairman, in behalf of the gentleman from New York [Mr. PAYNE], and at the request of the gentleman from Kansas [Mr. MURDOCK], I yield to the gentleman from Pennsylvania [Mr. HULINGS].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. HULINGS] is recognized.

Mr. HULINGS. Mr. Chairman, this bill is an open and confessed assault upon the doctrine of protection. There is no concealment. There is no pretense of incidental protection, but the assault is made upon the protective system as vicious and unconstitutional.

When every civilized government except England adopts the principles of the protective tariff, and England is back-pedaling on her free-trade theories, it is left for the Democratic Party in the face of logic, fact, and experience to revamp her old-time traditional free-trade notions.

According to the protective theory the tariff walls should be high enough to shut out all foreign products except:

(1) To admit foreign goods that can not be produced at home or that are produced here in insufficient quantity to supply the demand.

(2) To admit foreign goods for the purpose of raising revenues.

(3) To admit foreign goods whenever in default of proper regulations monopolies or near monopolies of the home market have been created.

In such cases if the monopoly is beyond the reach of regulation of preventive law, until such regulations could be provided I would knock holes in the tariff big enough to let in competition until the home market should be supplied at fair prices.

According to the protective theory the competition that ensues between home manufacturers insures the lowest prices compatible with a living American wage. The height, therefore, of the tariff wall is negligible, provided that it shuts out foreign goods that can be produced here.

Considered from the protective theory alone there is no need to split hairs in the ascertainment of the exact rate which will admit foreign goods at the precise point where the American manufacturer exacts more than a reasonable profit. But when it is used as a fiscal agency, there the problem is more complex, because the rate must be fixed at a point that will produce the desired revenue and still preserve a fair measure of protection, and when it is sought to make tariff rates so as to raise a definite revenue, and at the same time to make them the instrument with which to destroy monopolies, the problem is vastly more difficult.

The Democratic Party has set out to accomplish a number of desirable things by a tariff law:

1. To abolish monopolies.
2. To reduce the cost of living.
3. To raise necessary revenues.

Free trade will never abolish monopolies. It may afford a temporary relief, but eventually it drives the monopoly into international combination beyond the reach of any control.

Free-trade England started the ball rolling 140 years ago with a Coal Trust. She has her trusts in shipbuilding, copper, tobacco, textiles, and 35 or 40 others, all of monopolistic character. You may assume that a protective tariff fosters monopolies, if you please, yet it is clear that free trade does not prevent them.

Banking will foster bank robberies if you have no laws against burglaries, but would you abolish the banks to get rid of the robbers?

The combinations of purse and effort of many men make possible achievements utterly impossible to the individual. Without them we would not have a railroad, a telegraph, a steamship, nor any of the great producing plants that are putting at the command of the average citizen comforts, raiment, and subsistence, denied to the kings of 100 years ago.

I harbor no prejudice against big business simply because it is big. For 30 years I have believed that the Government must control big business or big business would control the Government. I have seen its growing power in this country. The average citizen is convinced of their undue power in the Government. Believing that by secret alliances with the leaders of both the old parties that they exercised such control, the people in wrath turned against the Republican machine, which was in power, and put the Democratic Party in control, not that the Democratic Party heretofore had proved itself less amenable to big business than the Republican Party had been, not because they believed in the Democratic idea of the tariff, but rather in the hope that the Democratic Party, taking counsel with what had befallen the Republican Party, would destroy special privilege and surround big business and all other business within the jurisdiction of Congress with such proper hedges and regulations as would safeguard the Government from their undue influences and would strictly confine these great combinations within the proper sphere of their legitimate actions.

If under the protective system advantage has been taken by these unregulated combinations to create monopolies, the remedy is not to strike down American industries and surrender our markets to the foreigner, but the true remedy is regulation by law that will destroy the monopoly.

Without effective laws to restrain monopolies and prohibit restraints of trade, peculiar alliances between the interests profiting by a high tariff and powerful representatives of the Republican Party, aided and abetted by powerful representatives of the Democratic Party, have grown up under a high tariff.

The incalculable power of colossal millions—millions in banking, in commerce, in transportation, in manufacturing—confederated upon concerted lines of control, going the way of all human nature, and like the daughter of the horseleech continually crying, "More, more, more!" constitutes an invisible government that has stood behind the chairs of authority and has created an atmosphere throughout this broad land under the influence of which the editor at his desk, the voter at the polls, the legislator at the capitals of States and Nation, and even the judge upon the bench, fawns and cringes.

And so it is charged, and the people have come to believe, and the fact has been, that the high tariff, in the absence of proper regulations and criminal law, fosters monopoly, and the demand of all parties has been for a revision of the tariff downward, but that demand does not imply the abandonment of the protective principle.

The demand for revision downward is a "short cut" to correct alliances between crooked business and crooked politics that have been eating the hearts of the people.

In the absence of proper laws to restrain monopolies a speedy cure is sought in the tariff, but nevertheless a great majority of the American people believe in the protective tariff.

The Democratic Party has no commission from the people to pass a free-trade measure. They have no commission to strike down protection. Even the minority who voted for Mr. Wilson are greatly divided upon this question.

And in a free Congress—free from the duress of official patronage, free from the domination of caucus, and free from boss rule—I do not believe that the representatives of the Democratic Party in this House, with the opportunity given them to examine for themselves, with the right given them to decide for themselves, schedule by schedule, free from duress, would ever offer such a bill as this.

Free trade does not prevent monopolies, nor will the opening of our markets to foreign competition, but it will, on the contrary, stimulate and encourage international trusts and combinations which will be utterly beyond control or regulation.

On the other hand, a protective tariff is the only defense against international monopolies by shutting them out, while leaving the Government a free hand with which to deal with all domestic restraints of trade monopolies and extortions through regulations of law.

Mr. Chairman, I have been a Republican—a life-long believer in the doctrine of protective tariff. As a member of the Progressive Party I still hold to that doctrine. But in common with many other believers in protection, I think many of the rates should be reduced, so that, in the absence of other proper regulations, the Government will have some control over trade combinations that are exacting unreasonable profits. Yet I still believe that if you destroy the protective principle these international combinations will form, and they are forming, international combinations which will place the whole subject matter beyond the control of the American Congress.

It has been loudly heralded that the proposed bill will reduce the cost of living.

No one more powerfully supported the Democratic claims in the Sixty-second Congress and in the recent campaign than the present Secretary of the Treasury. He and the distinguished chairman of the Committee on Ways and Means agree that this bill may not much reduce the cost of living. But now that the Democratic Party is installed in power and required to redeem its promises, they have begun to look around for a soft spot to fall on.

If correctly reported, in a recent interview the Secretary says, substantially, that the lowering of the tariff may help some in lowering the cost of living after a while, but he is convinced now that the real cause of the high cost of living is bad roads, poor farming, and inefficiency in production and distribution. This looks like hunting a hole to crawl into. Still I think he is nearer right now than he was when on the stump claiming, in chorus with his Democratic brethren, that the high tariff was the cause of the high cost of living.

I fear the effect of this bill in reducing the cost of living will be a great disappointment to the people of the country and to its authors. The political parties of this country are confronted by a situation that is not to be relieved by infinitesimal changes in the cost of lemons, sweet oil, or other comestibles.

We are in the midst of a great social movement that is stirring to the depths every civilized country in the world. It is a natural evolution to higher standards; it is the searching, striving of humanity for betterment; it is the demand for enlarged social justice; it is the demand of the people for the protection of the home; the sweetening of the lives of the toiling millions; for the abolition of special privileges; for the destruction of that invisible government that has been in control for selfish and corrupt purposes. And it is not to be appeased by any makeshifts of the tariff, important as that may be.

The Republican leaders proclaim this movement to be the "fanaticism of unbalanced enthusiasm." They affect to believe that it is a small shower and will soon be over. And through their blindness and disbelief 4,000,000 voters of the Republican Party left it and, taking with them the heart and soul of republicanism, formed the Progressive Party. Owing to this division, the Democratic Party has been put in power by a minority of the votes, and they can not expect to remain in power by sending to the people a bill of this character, which, at the best, confessedly now, will affect the cost of living but slightly and which will, I fear, have very disastrous effect upon the industries of the country.

Now, in respect to revenues. Your Democratic platform proclaims the astounding doctrine that a protective tariff is unconstitutional, though in practice you distinctly abandon that and, taking the middle of the road, adopt the tariff for revenue only, adopting high protective rates in many of your schedules. Do you really believe it unconstitutional to protect American workmen by design but perfectly all right if you do it without intending it?

You are intending to kill off monopolies; to raise the necessary revenues, by lowering the tariff as nearly as possible to a free-trade basis, and claiming that you will not hurt our industries. Well, then, if you reduce the tariff one-half, double the quantity of goods must be imported to raise the same revenue; and if they come in, somebody in America will be hunting another job and Democratic Congressmen will be in the searching party. And if, as you claim, the effect will be not to close American factories, but that they will continue to supply our markets, then goods can not come in in greater quantity than at present; and with your lowered rates what becomes of your revenues?

Upon either horn of the dilemma you will be impaled. If your low tariff lets in a flood of foreign goods, you drive American workmen out of employment. If the flood does not come, your revenue will fail. Let the American workman hunt another job; let him go back to the farm, you say. The puddler, the machinist, the spinner, and the weaver are no more fitted to go back to the farm than my friend BURKE here or MURDOCK over there would be fit to do a day's work in the harvest field.

It is all very well to talk about our market lying beyond the seas, but the greatest market in the world is our American market. Our first duty is to hold to it. You can not do that if you throw open our doors to foreign competition.

If you can pay the American scale of wages and still capture a foreign market, go to it, but we have a cinch on a market that is worth all the European markets put together, and our first duty is to hold to it.

Every foreign workman making goods for American consumption that could be made here throws an American workman out of a job.

Your bill will transfer a large part of our spinning industry to England. Great reductions in the tariff on woolens will eventually and inevitably transfer to French, German, and English weavers part of the work done now by Americans.

Your bill will transfer the plate-glass industry to Belgium.

You strike the farmer at every step, the manufacturer and the workingman indiscriminately, not intentionally but none the less disastrously.

A large part of our revenues is habitually raised by a tariff whatever party is in power. This involves careful study of the rates necessary to be laid, whether they be laid for the simple purpose of revenue under a "tariff for revenue only" or under a tariff under the "protective" scheme.

The latter policy, to which the Progressive Party adheres, requires that the tariff should be taken out of partisan politics and the facts carefully ascertained by a nonpartisan commission and rates levied that will be just high enough to preserve the difference between the American and foreign scales of wages, plus a fair profit to the American manufacturer on all goods that can be produced in this country.

Your bill has been prepared in the same old way. Prepared by a few in secret and forced through a caucus with haste utterly incompatible with intelligent consideration, you have simply taken a leap in the dark. I admire the skill of the select handful in steering through a Democratic caucus a bill which in its entirety commands the entire and sincere approval of few Democrats here and at home.

I make these criticisms in no partisan spirit.

I read the inaugural address of President Wilson, and I regard it as one of the greatest state papers published since Lincoln's time. It was of necessity general in its terms, but as a Progressive of 30 years' standing that message was progressive enough for me, and if President Wilson can unite the warring, clashing elements of his party in a sincere and harmonious adherence to the general sentiments he uttered on that occasion and hammer those sentiments into concrete expression in the statute books, and if he can demonstrate that his tariff views are correct, the Democratic Party will be in the saddle for the next 20 years. But there was one false note in that message, and it was Mr. Wilson's views upon the tariff. The people of this country are not with him on the tariff.

On his progressive policies the Progressive Party will support him. They can not follow him on the tariff. We stand in this Congress few in numbers, but backed by 4,000,000 of voters, and we are pledged to support every genuine progressive doctrine whatever may be its label.

Progressives are sneered at in this Hall, on both sides of this House, revealing the reactionary elements here, but progressivism has become popular, so popular that there is a race now with the old party leaders to get their bills in first to show the voters how progressive they are; but, irrespective of the author, the Progressives will support every real progressive measure presented, whether by Democrats or Republicans.

There is an element in the Democratic Party that is hostile to Mr. Wilson's progressive views; there are the same irreconcilable elements in the Democratic Party that divided the Republican Party. A majority of the American people are opposed to the Democratic doctrines of the tariff.

A powerful element in the Democratic Party is standpat and reactionary and at heart opposed to every progressive doctrine.

On these rocks the Democratic bark will go to pieces.

The Democratic assault upon the productive industries of the country and the lack of Democratic cohesion to the progressive doctrines will result in the filling of these benches with Progressives at the next election.

So far as this bill is concerned, it is not the manner nor methods nor influences that were invoked that is the real issue, but it is the bill itself, and it is its effects upon the people and their industries for which the Democratic Party must be responsible.

There are sections of this bill for which I would like to vote. I would vote for the income tax; and there are many other sections to which I could give my hearty approval, but the bill is presented with intentional adroitness, perhaps, by those who intend to force it through, so that it must be voted for in toto, and under such circumstances I am impelled to dissent, for I believe the bill to be a perilous assault in many of its parts upon the industries of the country, far exceeding in injury any good there may be in it.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 62. Joint resolution making an appropriation for defraying the expenses of the Committees of the Senate and House of Representatives authorized to attend and represent the Senate and House at the unveiling and dedication of the memorial to Thomas Jefferson at St. Louis, Mo.

The message also announced that the Senate had passed the following resolution, in which the concurrence of the House of Representatives was requested:

Senate concurrent resolution 1.

Resolved by the Senate (the House of Representatives concurring), That there be printed 6,000 additional copies of House Report No. 1593, Sixty-second Congress, on the Concentration of Control of Money and Credit, of which 2,000 copies shall be for the use of the Senate document room and 4,000 copies for the use of the House document room.

The message also announced that the Vice President had appointed Mr. PAGE and Mr. LANE members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of the Interior.

THE TARIFF.

The committee resumed its session.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. Chairman, I trust I shall not be guilty of presumption, as one of the new Members of this House, in attempting here to express my sentiments upon the legislation now under consideration. For while I have no hope of influencing the minds of those who see fit to differ from us, it is proper, and, indeed, expected, that we shall give to the American people the reasons for the faith which we proclaim.

It is futile to seek to harmonize the differences between the Democratic and Republican Parties upon the subject of tariff taxation. Those differences are fundamental. The conflict which has for many years been waged between them upon this subject is as irrepressible now as when the difference was first emphasized by the respective followers of Hamilton and Jefferson. It is not a conflict merely between two theories as such. It is not a dogmatic clinging to a fetich on the one hand, or a fine-spun, visionary policy upon the other. It is, and has always been, a clear-cut fight between right and wrong, between justice and injustice, between the rights of the people and the demands of their despoilers.

The Democratic Party proceeds now, and has always proceeded, upon the doctrine upon which our political founder planted his faith, "Equal rights to all, and special privileges to none." [Applause on the Democratic side.] While the Republican Party proceeds now, and has always proceeded, upon the antithetical doctrine of "special privileges to some, and equal rights to none." Such a course as has been consistently followed by our opponents was destined to inevitable disaster, as they themselves can now abundantly admit.

But, Mr. Chairman, we are to-day facing a condition, not an unexplored theory. We are facing a condition which abundantly justifies the action we shall take at this session of Congress, and a condition which is the culmination of a remarkable series of historical events. In the beginning let us not lose sight of the fact that the tariff, so mythical and nebulous to the average man, is nothing more nor less than a tax. The only fundamental difference between it and other forms of taxation is that it is collected indirectly, while other forms of taxes are collected directly from the taxpayer. But stripping it of its technical import, we find the tariff a vehicle of extraction whereby the people are caused to let go something that is theirs through the agencies of government.

All taxation, in theory at least, not only National but State, county, and municipal, is based upon the needs of the government. The government, so-called, being the mere agency through which the people transact the business of the people, it must therefore follow, as the night the day, that the people's agents have no legal nor moral right to collect from the people more than is necessary to carry on the people's business with intelligence and economy. I take it that no political economist, of whatever school, will deny this principle. It therefore follows that those who are charged with the conduct of the people's business must first ascertain the needs of the government in the matter of revenues, and lay their taxes according to those needs. This is true, whether the taxation be direct or indirect. This is the principle upon which the Democratic Party is now proceeding and upon which it has proceeded in the past.

But our adversaries, both the Republicans and the so-called Progressives, who are a mere branch shot out from the trunk of Republicanism, have always proceeded and are now proceeding upon the contrary idea, that you must find out how much protection the favored few demand and then regulate your revenues and expenditures in accordance with that demand. In other words, that the primary object of taxation is not to raise revenues for the expenses of the Government, but that the primary object of taxation is to protect a few people at the expense of the many; and if the Government in this adventure obtains money in its Treasury some method of expenditure will be discovered which will not only dissipate it but furnish an excuse for additional taxation upon the same theory.

Before I proceed further, permit me to call attention to a proposition which has been urged here on this floor by our Progressive friends. They seem to have adopted as the cardinal plank in their platform the proposal to regulate the tariff by means of a so-called tariff commission, stating that neither the Democrats nor the Republicans know anything about a just and equitable tariff. In so far as they claim that the Republicans know nothing about it, I heartily concur. I think the Progressives are experts on the subject of Republicanism, having recently themselves departed from that fold.

I take it for granted they are correct when they say the Republicans can not scientifically revise the tariff, but I must respectfully dissent from their claim that the Democrats can not scientifically or properly revise the tariff, because, in my opinion the bill now under consideration successfully refutes that statement. But I desire to inquire of our Progressive friends, so called, if neither the Republican nor the Democratic Party can revise the tariff intelligently or scientifically, how can the Progressive Party, which has neither pride of ancestry nor hope of posterity, in the face of a hundred years of tariff agitation and legislation, claim to be able to revise it scientifically merely by the appointment of a Tariff Commission, which will be no more scientific than the members of the Ways and Means Committee on either side of this House? [Applause on the Democratic side.] Another thing I should like to ask our Progressive friends: When did the American people by any constitutional enactment or by their consent ever agree to delegate to any commission, large or small, the power of legislation, and especially the power of legislation in the matter of taxation? That power is granted solely to the Congress by the Constitution, and that power can not be delegated by Congress to any body outside of Congress, and the people would not consent for it to be so delegated. There is no more important question that confronts the American people to-day than the question of taxation, for the power to tax carries with it the power to destroy and the power to confiscate, and the American people have never yet, and, in my opinion, never will agree that a commission of experts, so called, shall have the power to tax them and take from their pockets that which is theirs even for the support of the National Government.

Mr. YOUNG of North Dakota and Mr. HULINGS. Will the gentleman yield?

Mr. BARKLEY. I regret I can not do so, because I have only a few minutes. If I have time enough when I conclude my remarks, I shall be glad to yield to the gentlemen.

As was so well said by the chairman of the Ways and Means Committee [Mr. UNDERWOOD] in his opening remarks upon the pending bill, prior to the Civil War the Government of the United States and the people thereof, including manufacturers of every kind, had prospered under a system of comparatively low tariffs.

Even those who timidly advocated the doctrine of protection for its own sake only sought to apply it to the infant industries, in order to enable them to get upon their feet and flourish without protection. But when the great Civil War came on, and methods of raising enormous sums as revenue were to be devised, the tariff on imports was vastly increased—not even then as protection to the manufacturer, but purely and simply as war measures, because even the Republican Party at that time would not have dared to raise the taxes except they could justify their conduct by the exigencies of war. After the war was over, and the blood of North and South had been spilled upon every battle field, the cry then went up that the Government is enormously in debt as a result of the war, and that the taxes can not be reduced. At the same time the manufacturers, always seeking bounties, always asking to be placed upon stilts built by the Government, having been permitted to taste the sweets of high protection joined hands with the Republican Party, and from then until now have fastened upon the people this unjust and iniquitous system of taxation. Notwithstanding the war has been over for more than half a century, the Republican Party has gradually and stealthily increased the burdens of taxation to the extent that the American people are demanding relief, and in their search for the agency through which that relief shall be vouchsafed to them have turned to the Democratic Party, which has always been the political refuge of the weary and heavy laden.

Mr. AUSTIN. Will the gentleman permit an interruption and answer a question?

Mr. BARKLEY. If the gentleman will wait until I conclude my remarks, I shall be glad to yield.

But it is useless, Mr. Chairman, to ruminate among the dusty archives of ancient Republican history. The more recent history of the Republican Party, as enacted by the modern combination of politico-commercial statesmen of that party, furnishes us ample food for reflection and consolation. But before I go into that I desire to call attention to the result of the tariff legislation to which I have just called your attention.

In addition to laying and collecting heavy and unnecessary taxes upon the people, not for their own good, but for the protection of a favored class who have satiated their bounty-loving appetites in the vitals of the people, the Republican Party has fostered, encouraged, and built up a system of combinations and aggregations of wealth such as the world never dreamed of before. Great monopolies, winked at by the Republican Party, have sprung up like mushrooms overnight, and through their ability as favored, petted, pampered interests, have extracted unjustly from the American people millions upon millions of money which never reached the vaults of the Treasury and never was intended to reach them. Not only this, but through the unholy alliance between crooked business and crooked politics, we have not only been robbed of our money, but have been robbed of many of our political ideals of governmental justice and purity. We have seen these giant aggregations of wealth, made fat and sleek at the people's expense, sweep down upon the Congress of the United States demanding not only that they be permitted to dictate the people's laws, but shall name the people's officers. We have seen them in the corridors of State legislatures dictating the election of United States Senators sent here, not to represent the great masses of the people, but to represent the special, bounty-loving, favor-seeking unspeakably selfish interests which sent them here. We have, under this system, seen the rights of the people trampled under foot. We have seen profits increase to fabulous proportions upon watered stock. We have seen the cost of living rise gradually under this system until it is with difficulty that the professional man or the skilled laborer is able to accommodate his needs to his earnings, to say nothing of the vast numbers of unskilled laborers throughout the vast extent of our country. And all this, under the Republican Party, in the interest of labor and infant industries.

They tell us that protection is necessary. Necessary for what? At first they told us it was necessary in order to encourage our infant industries, but they did not cease, but increased protection, after the industries ceased to be infants and became giants. They then told us protection was necessary in order to help the laboring man. But we have seen the cost of living increase under this system almost 50 per cent in the last decade, while the increase in wages of laboring men has been much less than 20 per cent.

Yet the Republicans have not diminished their protection nor folded their generously protecting arms. Then driven into the corner on both these propositions as to infant industries and labor, they now assume a new position, namely, that the protective theory ought so to be adjusted as to equalize the cost of production at home and abroad, with a fair profit to the manufacturer. Yet no Republican has yet been able to fix a standard of wages abroad which should be adopted, because of the fact that in one country of the Old World wages are at one figure, and in another country at another, and still another somewhere else. So that no just standard can be fixed as a basis upon which to act that would not give either too much protection or too little protection, according to the Republican doctrine. So that inevitably the Republican Party is driven from one extreme to another, and driven from pillar to post in its effort to justify before the American people their unfair, selfish, corrupt, unwise, and unpatriotic methods of taxation which bears largely upon the problem of the distribution of our wealth.

These conditions had grown so intolerable among the people that in 1908 even the moss-backed and fossilized Republican Party was forced to adopt a platform declaring for a "revision" of the tariff. The people had begun more forcibly than ever to realize that a tariff is a tax, and that a protective tariff is a special tax against the masses for the benefit of a few. Therefore the people demanded relief, not only from the taxes themselves but from the condition brought about by this system which enabled a few men to control the markets of the country, fixing the price of that which the people had to sell as well as what they had to buy. So the Republican Party, realizing its danger, realizing the fact that the American people are constantly becoming more intelligent and discriminating, and realizing that whilst they had been able to "fool some of the people all the time and all the people some of the time" they could not longer fool all the people all of the time. Thus they in their platform in 1908 promised to "revise" the tariff. But the people were suspicious of this promise and asked whether the Republican Party proposed to "revise" the tariff upward, as it had always done before, or whether they proposed to revise it downward, as the people demanded.

You will remember that Mr. Taft, who was a candidate for President upon that platform, realizing the predicament in which the party found itself, in his speeches constantly stated that the kind of a revision the Republicans meant was a revision downward in behalf of the consuming masses. The people took him and his party at their word—which they have never done except to their sorrow. They elected Mr. Taft President upon the faith of the promise which he made to them. After he was inaugurated, he called the Congress in extra session to revise the tariff downward, ostensibly. After spending many months here a bill was perpetrated on the American people called the Payne-Aldrich law—very properly named, in view of its effect upon the people—which was discovered to be a revision of the tariff upward instead of downward. The rest of the story is familiar to us all. Of what avail will it be to recount broken promises, numberless as the sands of the sea? Of what avail to bring fresh before this Congress and before the people their shameless betrayal by the last Republican administration? What shall we accomplish merely by recounting the failure of one set of men to do their duty unless we shall follow that recital with the accomplishment of our own mission as Members of this body?

What, therefore, Mr. Chairman, is our mission to-day as Members of the Congress of the United States? What commission do we hold from the people, and how shall that commission be executed? Certainly no Democrat can maintain that he holds any commission here to protect the favored classes to the detriment of the unfavored masses. Certainly no Democrat can maintain that he is here to continue longer the blighting system of graft and greed fastened upon us by the Republican Party. Certainly no Democrat can maintain that he is here to assist in the further looting of the people, even though it be possible to accomplish the act without the knowledge of the victim. Certainly no Democrat can maintain that the present artificial and medicated commercial and economic and industrial status of the United States should be longer maintained. Certainly no Democrat can maintain that the handicaps which have restricted our commercial supremacy in the past should be longer permitted to endure. And certainly no Democrat can maintain that this Government is obligated, legally or morally, to guarantee the protection of the hothouse to industrial enterprises if they can not stand in the fresh air of free and open competition.

Realizing, therefore, that we are here to carry into effect the mandate of the people we have offered to this House and to the country the Underwood bill, now under consideration. Seeking, therefore, to keep unbroken our pledges to the American people we are offering to them something the Republican Party has never given nor offered—an honest tariff law. A tariff based upon the competitive principle. A tariff which will appeal to the great masses of our people as fair and just, despite the howling and squealing of those who are incidentally pushed from the public trough, whose benefits they have monopolized and squandered for half a century. We are offering a tariff which seeks not to destroy any legitimate industry, but seeks to inoculate into all lawful industry the germs of a healthy life. We seek to substitute the real for the artificial. We seek to replace fundamental falsity with eternal truth. We seek to convince the American people that they can conquer by the sheer force of their superior ability, of their inventive genius, of their wonderfully resourceful activities, without applying the artificial stimulants thought necessary to revive an ebbing life. We are seeking by this law to wipe out favoritism and to legislate for the whole people. We are seeking to divorce big business from big politics, and make it unnecessary for the great commercial fabric of this Nation to depend upon the bounty and favoritism of the people's Government in order to succeed. We are seeking to subvent the socialistic tendencies of the times, which are the direct result of the maintenance of Republican policies. For the ultimate conclusion of republicanism is socialism. For if it be true that the Government, as such, owes it to a favored class to protect them in their commercial enterprises, in order that profits may be vouchsafed to them, why not go one step further and declare that the Government, as such, owes it to all the people to not only protect, but actually to conduct all commercial enterprises in order that something of profit may be vouchsafed to all the people? One doctrine is as tenable as the other. Both are founded in falsehood. Both are contrary to the theory upon which all free governments are

founded. Both are founded upon the false notion that the Government owes everything to the people, or a favored few of them, and that the people owe nothing to the Government.

But if it be denied that Republicanism leads inevitably to socialism, it can not truthfully be denied that Republicanism, with its selfish, un-American, and mendacious favoritism, has been largely responsible for the growth of socialism. You can not unjustly hoist one class of our people without unjustly lowering the other. You can not, by Government aid, create enormous wealth without creating unwholesome want. Recognizing these fundamental truths we are proceeding upon the only sound and honorable course by proposing to hoist no man at the expense of his neighbor. We are proposing a tariff bill which refuses to recognize the protective theory as worthy of any place in the political thought of a free people. We are proceeding upon the time-honored Democratic doctrine that all taxes of every description and from whatever source collected shall be for revenue only, a doctrine which has brought the Democratic Party safely through the tempestuous waters of more than a hundred years of strife and turmoil into a welcome and a tranquil harbor.

We have heard much from our Republican calamity howlers about destruction and ruin to business on account of this tariff. This "stop-thief" cry has been heard so often in this country that it will no longer alarm sensible people. It is but the wail of the political and commercial coward. It is an effort to frighten honest and legitimate business into the belief that the Republican Party is the reservoir of all their prosperity, and the advent of Democracy the harbinger of shrinking profits and soup houses. Such an argument can emanate only from a dishonest mind. It is but an effort to carry out the long-established policy of the Republican Party in fooling the American people. But, thanks to the intelligence and wisdom of the people, this cry of fear will find no response in the hearts of the people. I have heard so much during this debate of the crumbling of industries, of smokeless stacks, and dollarless banks, that I am convinced that unless the Nation goes out of business the Republican Party, what little of it remains, will be sorely disappointed. For it is fear upon which that party has fed by day and falsehood upon which it pillowed its head by night. And realizing now that the people have repudiated it for its sins, it seeks again to raise its prostrate form through fear and falsehood, unwilling to profit by its own mistakes or to be purged in the crucible of public opinion.

I predict for this tariff bill a career of great success. I need not go into the reasons for this prediction, for whether the prediction prove correct or incorrect, the reasons therefor would not be interesting. But I feel justified in so predicting because of the fact that it is an honest and faithful effort to carry out the wishes of the people, expressed at the polls on election day. It is an honest effort to break down the wall that has protected a few at the expense of the many. It is an honest effort to readjust our commercial fabric in harmony with modern tendencies. It is a faithful effort to keep our promises. It is our plighted faith, our sacred honor, our life and all for which we fight to-day. And we ask the American people to be not frightened by the scarecrow placed before them by the Republican mischief makers, but to adjust themselves honestly and patriotically to the new duties with faith and hope and determination to prove the utter falsity of the doctrine that American energy, genius, brain, and courage can not conquer the markets of the world unless they are subsidized by the people's Government.

We have heard much of so-called Republican prosperity. We have seen the rich grow richer, and we have seen poverty and squalor and ignorance and vice increase in the great centers of our population. We have seen a few men pile up fortunes like Ossa upon Pelion, seeking later to soothe their consciences by the endowment of colleges and libraries, giving their bounty-gotten wealth back to those from whom they did not take it. We have seen the mansion of the magnate with one eye and with the other the hovel of the toiler. We have heard with one ear the music and laughter of the guilded salon and with the other the cry of hunger from the street. We have seen wealth centralized in the hands of a few to such an appalling extent that it is said now that 90 per cent of the total wealth of this Nation is owned by less than 10 per cent of the people. And yet this is called prosperity. Republican prosperity. God save us from such a prosperity. The mission of the Democratic Party to-day is so to adjust the laws of this Nation as to bring about equality before the law to every man, high and low alike. Not necessarily equality of brain or wealth or physical force, but equality of opportunity, and a Government which does not vouchsafe to its people equality of opportunity is not a free Government and can not long endure.

For what shall it benefit us to know that on yesterday we walked upon the mountain top, if to-morrow our children shall grope in the darkness of the valley? What shall it benefit us to know that yesterday we sat at a table laden with sweet morsels from the corners of the earth, if to-morrow our children shall feed upon the husks of the swineherd? What shall it benefit us to know that yesterday we basked in the splendor of palatial beauty, surrounded with all that art and wealth and culture can supply, if to-morrow we shall sit upon the doorstep of a stately poorhouse, a sovereign pauper? Give us, then, a prosperity which shall endure not for a day nor for ourselves alone, but one which may be bequeathed to all the people and for all time. A prosperity which shall be planted squarely upon the bedrock of eternal justice, instead of perpetual duplicity. A prosperity which shall not find its lodging place alone among those who need it not, but a prosperity which shall descend on all the people alike, as the refreshing rain descends from Heaven. A prosperity which shall find true realization in the Jeffersonian, Democratic, American doctrine of "Equal rights to all, and special privileges to none."

In the past, Mr. Chairman, when the people have called upon the Republican Party for relief from the burdens of unjust taxation they have acted as if they were of those who, having ears hear not, and having eyes see not. When the people have asked for free lumber in order that they might build humble homes in which to abide, the Republicans have responded by placing acorns upon the free list. When in the past the people have asked for cheaper fuel in order to keep their bodies warm, the Republican Party has responded by placing ashes on the free list. When in the past the people have asked for cheaper meat upon which to feed themselves and their children, the Republicans have responded by placing bones upon the free list. When we have asked for cheaper shoes, they have given us free spunk. When we have asked for cheaper milk, they have responded with free dragon's blood. When we have implored them to give us cheaper beef and pork, they have responded by placing hoofs and horns upon the free list. When we have asked for cheaper sugar, they have handed us untaxed ipecac. When we have prayed for cheaper iron and steel, they have responded by placing junk upon the free list. When we have asked for cheaper clothing so that we might protect ourselves from the winter's chill, they have cheerfully responded with free rags. When we have implored them to give us a cheaper beefsteak, they have replied by placing teeth upon the free list. When we have asked them for bread, they have responded with free apatite.

And so on, from bad to worse, the shameful story runs ad infinitum. But the dawn is now appearing. A better day is approaching. Democracy rules in this Nation and all is well. Along with acorns we give free lumber. Along with ashes we give free fuel. Along with bones and hoofs and horns we give free meat. Along with spunk we give them free hides and shoes. Along with dragon's blood we give them milk. By the side of ipecac we give them sugar. Along with junk, including the Republican Party, we give them cheaper iron and steel. Along with the rags we give them cheaper clothing. Along with teeth we give them beef, and along with apatite we have given them bread. Not only is this true, but through the income tax, which is now a part of our fundamental law by reason of the efforts of the Democratic Party, we shall shift some of the burdens of taxation from the poor to the shoulders of the rich. We shall lighten the load now borne by the workingman and transfer it to those who have prospered at his expense. We shall attempt to equalize the burdens of the Government no less than its benefits.

To this end, therefore, we invite the cooperation of all forward-looking, patriotic men. We ask your aid in establishing again the just doctrine of competitive superiority as against paternal favoritism. We ask for nothing except that justice may dwell among our people; that capital shall receive a fair profit upon its investment and energy; that labor may receive a full day's wage for a full day's work, and that he may go into a market where the laws of nature and of trade shall govern to buy the things that are necessary for his life. We believe this tariff bill will accomplish this purpose, and we open our faces to the rising sun with hope and confidence, inviting all who believe in genuine reform to join our ranks. The Democratic Party has always been the party of reform. It was the Democratic Party that first began to agitate the income tax. It was the Democratic Party that first began to agitate the question of the election of Senators by the people. It was the

Democratic Party that first declared in favor of the publicity of campaign funds. It was the Democratic Party which first declared in favor of the physical valuation of railroads. It has been always the Democratic Party which has thundered against the abuses of benighted and defunct Republicanism, and it is to our party that the people look to-day for the redress of their grievances and the lightening of their burdens. Let us hope that its mission may not fail; that it may reconstruct the broken fragments of public confidence into a more enduring liberty, which shall find fruition in the realization of a government of, by, and for the people. [Applause on the Democratic side.]

Mr. Chairman, as I recall how the people of this country have returned to their allegiance to the Democratic Party, after wandering off after false gods, I am reminded of an incident that occurred down in Christian County in the good old State of Kentucky. There was a young man who married a rich man's daughter, and by force of circumstances he was unable to make a conspicuous success at providing a living for them. Finally, after a large family had grown up about him, he said to his father-in-law, "If you will give me a team of mules and $200 I will go to Colorado and try to make an honest living for my family." The old man, weary of the burden himself, gave him the $200 and the team of mules, and the son-in-law started in his canvas wagon for Colorado, where they have to irrigate the soil in some places in order to get sufficient moisture to grow a crop. He planted his crop of corn, and when it got almost large enough to "lay it by," the irrigation became defective, the corn dried up, and he made nothing in Colorado. He said to his wife, "I guess we had better go down into Kansas. We can not make anything here. We do not understand this irrigation business, anyway." So he moved his family into Kansas, and the next year planted another crop of corn. When it reached the same period of development, one of those hot Kansas winds came along and parched it and dried it up, so that the corn crop was a failure in that State. His money was gone, his mules were thin, and he said to his wife, "I hate to go back to the old man, but I can not live out here. I am bound to go back, though it be humiliating to me. I know they will tease and torment me because I am returning to the parental roof, but I can not see my babies starve to death. I can not see them cry for the food and raiment which I can not give." So he loaded them in his canvas wagon and started back to Kentucky. All the way home he wondered what excuse he could give for returning, but just as he turned over the hill in sight of his old home, he saw a bunch of pokeberries in the corner of the fence. Stopping his wagon, he got out into the fence corner, pulled a bunch of the berries, mashed them into ink, and wrote on the side of his wagon his reasons for returning. And I think the reasons which he gave on the side of his wagon will apply with equal force as the reasons for the return of the American people to the fireside of Democracy at the present time. These were the reasons which he gave:

Colorado irrigation,
Kansas winds and conflagration,
High tariff and taxation,
Bill Taft's administration,
Roosevelt's vociferation,
Hell-fire and damnation,
Bring me back to my wife's relations.

[Laughter and applause.]

I trust that I am not incorrect in assuming that something of the same feeling actuated the American people and caused them to return to the fold of the Democratic Party, where "equal rights to all and special privileges to none" shall be the motto. [Applause on the Democratic side.]

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Michigan [Mr. HAMILTON].

Mr. HAMILTON of Michigan. Mr. Chairman, in his inaugural address, leaning down from the heights of altruism and talking down to his followers in a language that none of them understood, the President explained to them that the Nation was intending to use them "for a large and definite purpose." [Laughter on the Republican side.]

This gave general satisfaction until it was explained to them that it did not involve their employment in official capacity. [Laughter on the Republican side.]

The Postmaster General, however, as the connecting link between altruism and appetite, is understood to be giving diligent consideration to a method of simplified civil-service examination of fourth-class postmasters, designed to give the Government an opportunity to use the brethren more largely for "definite purposes." [Laughter and applause on the Republican side.]

In this way the carnal man is being sustained while his rudimentary spiritual part is being ministered to by homeopathic suggestion.

Next to the last election the most interesting convulsion of nature is the Democratic rush for office.

In filing a bill of particulars of "the large and definite purpose" to which he conceives the Democratic Party to have been called by more than a million votes against them on the tariff question [laughter], the President starts with "a repeal of a tariff which cuts us off from our proper part in the commerce of the world, violates the just principles of taxation, and makes the Government a facile instrument in the hands of private interests."

This easily separates itself into three parts.

First. The present tariff "cuts us off from our proper part in the commerce of the world."

Second. It "violates the just principles of taxation."

Third. It "makes the Government a facile instrument in the hands of private interests."

This sounds realistic, and when the people heard it they shivered and felt a vague and sinister tariff influence going through their pockets and stealing away their commerce.

Mark Twain, commenting upon the maxim that "honesty is the best policy," says:

This is a superstition. There are times when the appearance of it is worth six of it.

[Laughter on the Republican side.]

There is also a certain impressiveness about saying solemn things in a solemn way with solemnity.

THE INSPIRED INSTRUMENT.

The instrument by which, in the language of the President, the "commerce of the world" is to be opened to us, by which "the just principles of taxation" are to be established among us, and by which this Government is to be emancipated from the thraldom of "private interests," is this bill, framed after three weeks of testimony before the Ways and Means Committee, where only "private interests" were heard. [Laughter and applause on the Republican side.]

Let us examine how this bill proposes to give us a quitclaim deed to the commerce of the world, to whiten the ocean with ships running to and fro between our ports and the ports of other nations, and to keep the sea so hot with cabled orders for our products that parboiled whales will lie belly up all the way across. [Laughter and applause.]

Let us examine how this bill proposes to establish "just principles of taxation," so that all the taxable world with shining faces will stand waiting at our ports of entry and our income-tax offices, anxious to contribute to a tax millennium.

Let us examine how this bill proposes to loosen the strangle hold of "private interests" and banish them forever from unlawful sustenance.

"OUR PROPER PART."

First, then, what is our present commerce with the world and what is our "proper part" in it?

Last year the exports and imports of the international commerce of all the world amounted to $35,000,000,000. Of the exports of that commerce we sold 12.9 per cent and of the imports of that commerce we bought 9 per cent—that is, we sold more than we bought, and unless the fundamental bases of political economy are to be broken up and cast upon the rubbish heap of rejected theories, it is better to sell our surplus abroad and get other people's money for circulation among ourselves than it is to have no surplus and to buy abroad and send our money abroad to enrich other people at our own expense.

Therefore, our "proper part" in the commerce of the world would seem to be to sell all we can abroad and buy what we need, just as it is good business for a farmer to make his farm as productive as he can, sell what he can, and buy what he must.

Second, what is our domestic commerce, what is its relation to the commerce of the world, and why should we give it away to other nations?

Here in America we have a trade among ourselves of $36,000,000,000, in which we buy and sell among ourselves fifteen times as much as we sell abroad and twice as much as all the other nations of the world import.

Our water-borne traffic, coastwise and otherwise, connects with a network of 250,000 miles of railroad over which 61,000 locomotives are hauling the products of the prosperity of 100,000,000 people, whose prosperity is increased or diminished accordingly as they are employed or unemployed, and this bill proposes to divide this market and this prosperity with other nations which protect their markets against us.

The Detroit River floats more tons of freight in eight months of navigation than the Suez Canal floats in a year, and it floats most of it in American ships manned by American men, owned by American capital, built by American labor out of American material, cut, dug, and framed out of American

mines and forests, and above most of these ships floats the American flag [applause on the Republican side], and this bill proposes to rust the heart out of our domestic commerce for the benefit of foreigners.

MAINTAINING THE STANDARD OF AMERICAN CITIZENSHIP.

How does protection "cut us off from our proper part of the commerce of the world?"

The Republican theory of protection is that duties should be so levied as to equal the difference between the cost of production at home and abroad, and that to ascertain that difference with scientific accuracy we should have a tariff commission whose business it should be to ascertain the cost of production at home and abroad, so that we may fix the standard by which to measure duties.

Why should duties be so levied as to equal the difference between the cost of production at home and abroad?

First. Because if duties are raised above the difference between the cost of production at home and abroad it invites domestic monopolies to overcharge domestic consumers.

Second. Because if duties are fixed below the difference between the cost of production at home and abroad it invites foreign monopolies to participate in our markets and force down the wages of American labor.

Third. Because we hold the quality of American citizenship above dollars and cents. We are not only growing and making commodities but we are growing, and by our naturalization laws making American citizens who are being called upon to participate more and more directly in the making of laws and constitutions, and we can not afford to lower the standard of American citizenship. [Applause on the Republican side.]

Fourth. Because protection of American labor and American industry means protection of American manhood and American citizenship. We can not lift the rest of the world up to the level of American citizenship, and we decline to lower the level of American citizenship down to the level of foreign citizenship by forcing American wages down to the level of foreign wages. [Applause on the Republican side.]

BUYING ABROAD.

All commerce has two ends—one the buying end, the other the selling end—and the Democratic theory is to increase our buying abroad and by consequence to decrease our selling everywhere.

Is this the way to increase "our part in the commerce of the world"?

But in order to buy we must have something to sell with which to get money to buy [applause on the Republican side], and the more we buy abroad the less we make at home, and the less we make at home the less we have to sell, and the less we have to sell the less money there is in circulation, and the less money there is in circulation the more people are thrown out of employment, and the more people are thrown out of employment the more the slums of big cities are populated. [Applause on the Republican side.]

The more we buy abroad the more money we send abroad, and the more money we send abroad the more we drain our own arteries of trade and swell the arteries of foreign trade.

The more money we send abroad the more we stimulate foreign production and depress our own.

The more money we send abroad the more money we take out of the pockets of American labor and put into the pockets of foreign labor.

THE INTERESTS THAT FRAMED THIS BILL.

Is this our "proper part" in the commerce of the world?

In what way does protection make the Government, in the language of the President, the "facile instrument of private interests"?

There are a good many private interests in this country.

We have thirty-five and a half million people here engaged in gainful occupations. Of these, twelve and a half millions are engaged in agriculture, eight and a half millions in manufacturing and mechanical pursuits, six millions in trade and transportation, and eight and a half millions in professional and domestic service.

Comparatively few representatives of these "private interests" were heard by the committee which framed this bill, but importers' interests and foreign manufacturers' interests were represented there as never before.

The special interests which helped to make this bill were not the men of genius, courage, and ability who have lighted the fires of our furnaces and given employment to millions of our people; not the American farmer, who has pushed our frontier westward to the Pacific Ocean and built the American schoolhouse on the edge of every clearing; but importers' associations like the Italian Chamber of Commerce of New York, subsidized by the Italian Government to obtain low duties or no duties on Italian products; importers' associations like the Merchants' Association of New York; importers' associations like the Merchants' Reform Club of New York—these are the "interests" that helped to make this bill. [Applause on the Republican side.]

Men who want to carry out the broad, patriotic, and nonsectional ideals of the gentleman from North Carolina [Mr. KITCHIN], who declared a year ago that "we in the South intend to make New England millmen come and put their mills in the South or else go out of business"; these are the men who framed this bill.

Men who want to increase the flocks of Australia, South America, and South Africa, and drive the flocks of the United States to the slaughterhouse; these are the men who framed this bill. [Applause on the Republican side.]

Men who want to reduce or remove the protection of American farmers and promote the prosperity of foreign farmers; men who want to fertilize the beet and cane fields of the rest of the world with American money and drive American farmers, planters, and laboring men out of business; these are the men who framed this bill. [Applause on the Republican side.]

In this way is our Government to be made to discriminate against our own people, who are taxed to maintain it, and made the "facile instrument" of foreign monopolies?

In this way are foreign looms and foreign machinery to be set humming to the tune of new industry, while our own gather rust and cobwebs?

In this way are the patriotic interests of this Government to be made subservient to the views of cloistered professors of free-trade political economy? [Applause on the Republican side.]

THE DEMOCRATIC "FUNDAMENTAL PRINCIPLE."

How does protection "violate the just principles of taxation," and what are these "just principles of taxation," anyway?

In your platform you "declare it to be a fundamental principle of the Democratic Party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue."

It is a "fundamental principle," then, of the Democratic Party that protection is unconstitutional.

But if protection is unconstituional, how did it happen that the first tariff law ever passed was avowedly a protective tariff law and was framed in part by men who had just finished framing the Federal Constitution, and was reported by James Madison and signed by George Washington?

Were Washington, Adams, Madison, and Monroe unpatriotic and unconstitutional when they helped to make that first protective tariff law and put it on the statute books as a part of the national celebration on the 4th day of July, 1789?

If they were unpatriotic and unconstitutional, is the President patriotic and constitutional?

But if protection is unconstitutional, why is it not unconstitutional all the time?

If it is unconstitutional to protect one thing, why is it constitutional to protect another?

If it is constitutional to retain an inadequate duty on wheat, why is it unconstitutional to protect rye? Is wheat constitutional and rye unconstitutional?

If it is constitutional to retain an inadequate duty on cattle and sheep, why is it unconstitutional to protect hogs? Are hogs unconstitutional and cattle and sheep constitutional?

If it is constitutional to retain an inadequate duty on cattle and sheep, why is it unconstitutional to protect beef and mutton? Are cattle and sheep on the hoof constitutional and their meat unconstitutional?

If it is constitutional to protect Texas Angora goat hair, why is it not constitutional to protect wool? Is goat hair constitutional and wool unconstitutional?

You talk about your devotion to the interests of the farmer, but you have never lost an opportunity to injure him.

You made Canadian reciprocity a law and you refused to repeal it three times after Canada had repudiated it.

In that law you juggled with your "fundamental principle," that protection is unconstitutional, and advertised your deep damnation of "private interests" by making wood pulp and print paper unconditionally free, regardless of whether Canada accepted or rejected reciprocity, and this you did to curry favor with the newspaper "interests."

The effect of this bill also, according to John Norris, of the American Newspaper Publishers' Association, will be "to admit news-print paper and mechanical pulp free of duty from all the world without qualification of any sort." The President's press agent is obviously not forgetting his newspaper relations.

In that law you juggled again with your "fundamental principle" by taking the duty off from the farmers' wheat and retaining a duty of 50 cents a barrel on the millers' flour. If it was constitutional to protect the miller, why was it unconstitutional to protect the farmer?

In that law you juggled again with your "fundamental principle" by taking the duty off from barley and keeping a duty of 45 cents a hundred on barley malt.

If it was constitutional to protect the brewers' malt, why was it unconstitutional to protect the farmers' barley?

In that law you juggled again with your "fundamental principle" by taking the duty off from rye and keeping a duty of $2.60 a gallon on whisky. [Laughter and applause on the Republican side.]

If it was constitutional to protect the distiller of whisky, why was it unconstitutional to protect the farmers' rye?

In that law you juggled again with your "fundamental principle" by taking the duty off from meat on the hoof and keeping a duty of a cent and a quarter a pound on dressed meat.

If it was constitutional to protect the packer's dressed meat, why was it not constitutional to protect the farmers' cattle, sheep, and hogs?

If it was constitutional then to protect beef and mutton and was unconstitutional to protect cattle and sheep, why is it unconstitutional now to protect beef and mutton and constitutional now to protect cattle and sheep?

Is your "fundamental principle" reversible? Is your "fundamental principle" a thing of time and expediency?

Does the statute of limitations run on your "fundamental principle" in two years? [Applause on the Republican side.]

A LOAF OF BREAD.

Thinking to catch the city vote in the North and knowing you will get the Southern vote from force of habit [laughter], this administration now talks about low rates on the "market basket." This is only another way of telling the people who live in cities that farmers are getting too much for what they have to sell, because the people who live in cities are paying too much for what they have to buy, and amounts to an assessment of the farmer to make up for the profits of city dealers.

You are cutting the duty on wheat down to 10 cents a bushel in this bill. Why do you not take it off entirely? Do you think to fool the farmer by keeping a little duty?

The great Canadian Provinces of Manitoba, Alberta, and Saskatchewan, with a total area equal to about 10 States the size of Michigan, and containing almost as much wheat land as lies west of the Mississippi River, are growing an average of 24 bushels of wheat to the acre, against an average of 15 bushels here.

Under a protection of 25 cents a bushel the price of our wheat has averaged about 10 cents a bushel higher than the price of Canadian wheat. With a duty of 10 cents the difference in favor of the United States will be all the way from 3 cents down to nothing.

A bushel of wheat makes 60 loaves of bread, and one-sixtieth of 10 cents is one-sixth of a cent, and one-sixtieth of 3 cents is one-twentieth of a cent.

I leave it to the "higher mathematics" of the President to answer whether any consumer has ever had to pay one-sixth of a cent more for a loaf of bread by reason of protection to the farmer's wheat, the reduction of which will make him millions of dollars poorer. [Applause on the Republican side.]

And I leave it to candid men everywhere to say whether when this bill has gone into effect and you have made the farmer millions of dollars poorer a loaf of bread will be likely to be sold one-twentieth of a cent cheaper.

SUGAR.

In the same way you propose to save money on sugar.

The estimated population of the United States is 97,160,336, and the total consumption of sugar in the United States in 1912 was 3,504,182 long tons, or 7,849,367,680 pounds.

The per capita consumption of sugar in the United States, then, last year was 81 pounds.

One million six hundred and sixty-four thousand eight hundred and sixty-three long tons, or 47.5 per cent of the total amount of sugar consumed in the United States last year, came from Cuba, and 47.5 per cent of 81 pounds, the amount consumed by each person, is 38.4 pounds.

Nine hundred and forty-three thousand seven hundred and sixty-nine long tons, or 26.9 per cent of the total amount of sugar consumed in the United States last year, came from our insular territory, and 26.9 per cent of 81 pounds is 21.8 pounds.

One hundred and six thousand three hundred and fifty long tons, or 3.1 per cent of the total amount of sugar consumed in the United States last year, came from the world outside of Cuba and our insular territory, and 3.1 per cent of 81 pounds is 2.5 pounds.

All the rest of the sugar consumed in the United States last year—789,200 long tons, or 22.5 per cent of the total amount consumed—was made from domestic beets and cane, and 22.5 per cent of 81 pounds is 18.2 pounds.

Now, the duty on the 38.4 pounds of Cuban sugar consumed by each person, at 1.348 cents per pound, is 51.76 cents; the duty on 2.5 pounds of sugar coming from the world outside Cuba and our insular territory, at the full duty rate of 1.685 cents per pound, is 4.21 cents; and no duty was collected on insular sugar.

Therefore, the total duty paid, theoretically, by each person in the United States on all the sugar he or she consumed last year was 55.97 cents.

By this bill you propose to charge a duty of 1.256 cents per pound on all 96° sugar coming from the world outside the insular territory of the United States and Cuba for three years, and for all sugar coming from Cuba you propose to charge a duty of 1.005 cents per pound.

Assuming, for the sake of illustration, that Cuban and other foreign sugar will enter our market in the same proportion as now, the duty on the 2.5 pounds of sugar consumed per capita by the people of the United States coming from the world outside the insular territory of the United States and Cuba at 1.256 cents per pound will be 3.14 cents, and the duty on the 38.4 pounds of Cuban sugar consumed by the people of the United States per capita, at 1.005 cents per pound, will be 38.59 cents, and the total duty paid by each person will be 41.73 cents.

Therefore, since, under existing law, each person theoretically pays a duty of 55.97 cents a year on the 81 pounds of sugar that he consumes in a year, and since under the proposed law he will pay a duty of 41.73 cents a year, he will save the difference between 55.97 cents and 41.73 cents, which is 14.24 cents a year.

Therefore, each person will be saved, theoretically, the munificent sum of 14.24 cents a year for three years. After that you propose to arrange it so that he can riot in a total surplus of 55.97 cents a year saved on sugar.

But only two-thirds of the 81 pounds of sugar consumed per capita per annum in the United States is consumed as sugar; the rest is used in manufactured products like candy, gum, and condensed milk.

Therefore the change in duty on one-third of the sugar consumed by each person will never be perceptible to consumers but will be absorbed by manufacturers, so that the amount of sugar actually consumed by each person per annum as sugar is 54 pounds, and the amount theoretically to be saved per capita during the next three years will be only 9½ cents a year. After that the amount theoretically to be saved will be 37.31 cents a year.

But assuming, for the sake of argument, that it is better to save 9½ cents a year for three years and after that to save 37.31 cents a year on sugar and reduce the revenues of the Government derived from sugar by over $50,000,000, what certainty can we have that everybody can carry home a half a cent's worth more of sugar a week in his market basket?

What assurance have we that the sugar refiners will not take possession of the market and raise prices after you have destroyed their competitors, the beet and cane sugar industries of the United States?

But if the refiners do not take all of our half a cent a week on sugar which you propose to save for us, what assurance have we that our half a cent a week will run the long gantlet of intermediate dealers between the sugar fields and the consumer?

Or, if the refiners do not control prices against us, and if the intermediate dealers do not absorb our half a cent a week apiece, what assurance can we have that the inexorable law of supply and demand will not deprive us of our half a cent a week apiece and raise the price of sugar when our own beet and cane sugar growers are driven out of business?

WOOL AND WAGES.

In the same way you propose to save money on wool.

You have coldly calculated the labor cost at home and abroad and deliberately intend to sacrifice American labor and American industry in the interest of foreign labor and foreign industry.

You know that it costs the American manufacturer more to build and equip a factory than it does the foreign manufacturer, because the American manufacturer pays better wages than are paid abroad; and you deliberately require that the American manufacturer shall pay lower wages or build no more factories.

You know that when the foreign manufacturer begins to dig for the foundations of his factory it costs him 40 cents a day in

Belgium, 64 cents a day in Germany, and 80 cents a day in England for diggers, whereas it costs the American manufacturer not less than $2 a day.

You know that when the foreign manufacturer proceeds to lay the walls of his factory it costs him only 64 cents a day in Belgium, $1.04 a day in Germany, and $1.68 a day in England for brick and stone masons, whereas it costs the American manufacturer not less than $5 a day.

You know that the foreign manufacturer pays only 40 cents a day in Belgium, 64 cents a day in Germany, and $1.04 a day in England for hod carriers, while the American manufacturer pays American hod carriers not less than $2 a day.

You know that the foreign manufacturer pays carpenters only 56 cents a day in Belgium, $1.04 a day in Germany, and $1.60 a day in England, whereas American manufacturers pay carpenters from $3 to $5 a day.

You know that the foreign manufacturer pays painters only 56 cents a day in Belgium, 96 cents a day in Germany, and $1.44 a day in England, whereas American manufacturers pay American painters $3 to $4 a day.

You know that the foreign manufacturer pays plumbers only 64 cents a day in Belgium, 88 cents a day in Germany, and $1.60 a day in England, while American manufacturers pay from $5 to $6 a day.

You know that the foreign manufacturer pays skilled mechanics 64 cents a day in Belgium, $1.04 a day in Germany, and $1.36 in England, while American manufacturers pay skilled mechanics anywhere from $2.50 a day upward.

You know that it costs the American manufacturer from 45 to 51 per cent more to build a factory than it does the foreign manufacturer.

You know that when the foreign manufacturer proceeds to make cloth the average wages paid weavers on the continent of Europe are $6.50 a week, and in England $9 a week, while the average wages paid weavers in America are $13 a week.

Mr. GORDON. Mr. Chairman——

The CHAIRMAN (Mr. WINGO). Will the gentleman from Michigan [Mr. HAMILTON] yield to the gentleman from Ohio [Mr. GORDON]?

Mr. HAMILTON of Michigan. Yes.

Mr. GORDON. How does it come that the wages of free-trade England are so much higher than in the protected countries on the Continent which you mention, namely, Germany, Belgium, and others?

Mr. HAMILTON of Michigan. That is an ancient question. It has been asked a great many times since I have been here——

Mr. GORDON. Well, answer it.

Mr. HAMILTON of Michigan (continuing). I am going to be candid with the gentleman—and I have answered this question this way before—I doubt if there is any scientific, accurate way of stating the reason why wages are higher in England than they are on the Continent, any more than there is of stating why wages are higher in Germany than in Belgium.

England has a different industrial system than Germany. If you say it is the tariff that makes the difference, your logic will fail there; that is, provided you want to discuss the matter in a fair and dispassionate way. [Laughter on the Democratic side.]

Mr. HELGESEN. If you can not make them understand why, I suggest you ask if free trade brings such high wages in England, why the wages are not higher than in America.

Mr. HAMILTON of Michigan. I want to be perfectly fair, and I do not believe in discussing these matters in a petty, cheap way.

You know from the Tariff Board's report that the average wages paid 10 of the highest-paid German weavers are $7.12 for a week of 55 hours, while the average wages of 10 of the highest-paid weavers in similar American mills are $17.34 a week.

You know that the average wages of weavers in France are 81.77 cents a day.

You know that the wages of woolen weavers in England range from $5.47 to $6.68 a week, while the average wages of woolen weavers in the United States are $3.50 a *day*.

Knowing these things—knowing that foreign wages range all the way from a third to a half of the wages paid here—knowing that labor and machinery are no more productive here than there, because machinery can be run no faster here than there without injury to the fabric; knowing that it costs twice as much to spin a pound of yarn or a yard of cloth here as it does there; knowing that a duty of 50 per cent is necessary to equalize conditions here and abroad, you cut the duty down to 35 per cent and deliberately require the American manufacturer to pay lower wages or go out of business.

"THE EXCITEMENTS AND RESPONSIBILITIES OF GREATER FREEDOM."

You know that it costs the American woolgrower 11 to 12 cents to produce a pound of wool; that it costs the woolgrower of Argentina 4 to 5 cents to produce a pound of wool; that it costs the Australian and New Zealand woolgrower practically nothing to produce a pound of wool after crediting the flock with other products; and knowing that the American woolgrower can not compete with the foreign woolgrower, you deliberately propose to remove the whole duty from all wools, washed and unwashed, and drive the American woolgrower out of business.

When you do this you know that the American manufacturer will have to pay lower wages or go out of business; you know the American laboring man will have to take lower wages or no wages; you know that his purchasing power will be reduced and that he will deposit no more money in savings banks; and you know he may have to wear shoddy, which you have made free presumably to meet that emergency; but superciliously smiling down from your height of temporary power you invite him to warm himself with the consolation that he is giving the foreign laboring man more work to do; and the President invites him to warm himself with his pleasant little sarcasm in his address to Congress about getting accustomed to "the excitements and responsibilities of greater freedom." [Laughter and applause on the Republican side.]

Greater freedom to do what? Greater freedom to watch his savings dwindle away? Greater freedom to look for work while his family is in want?

You know that when you make raw wool free you will drive American sheep to the slaughterhouse.

But you invite the American farmer to console himself with the knowledge that he is promoting the sheep-raising business of Australia, South Africa, and South America, and discipline himself by getting accustomed to "the excitements and responsibilities of greater freedom."

Of course, when you have destroyed the sheep business, the prices of mutton and lamb will go up and with fewer sheep to kill, the prices of beef, pork, chicken, and eggs will go up, but the man out of work and the shepherd without a flock can console themselves by thinking how they are helping the shepherds of Australia, South America, and South Africa, and the weavers of Europe, and how much better it is to give than to receive, anyway. [Laughter on the Republican side.]

A MATTER OF NO CONCERN.

With the cocksureness of a man accustomed to instruct the immature minds of youth, the President, in his address to Congress, undertook to settle in eight minutes problems which have vexed the minds of statesmen for more than a hundred years. [Laughter and applause on the Republican side.]

To him and to you it is a matter of no concern that all the nations of the world, except England, protect their markets against us and against all other nations.

To him and to you it is a matter of no concern that the colonies of England, including Canada, protect their markets against us and against all other nations, except England.

To him and to you it is a matter of no concern that Canadian newspapers are jubilant over our invitation to her to share our markets with us at the expense of our own people.

To him and to you it is a matter of no concern that Canadian millers and wheat growers are well pleased with conditionally free flour and 10-cent wheat, because it will save them the long haul to Europe and wipe out the international boundary line between them and our 100,000,000 population market.

To him and to you it is a matter of no concern that conditionally free flour and 10-cent wheat will force the price of American wheat down to the level of Canadian wheat and make the American farmer millions of dollars poorer.

To him and to you it must be particularly pleasant to read in the London Daily News that your bill is "a staggering attack on the whole fabric of protection—the heaviest blow protection has received since Peel established free trade in England 70 years ago."

THE "CHIEF SUFFERERS."

With uplifted eyes and the nasal twang of hypocritical piety you told the American farmer and the American laboring man in your platform that they were the "chief sufferers" by reason of protection. [Laughter on the Republican side.]

Is it because of your sympathy with the farmer's "suffering" that you propose to lower the duty on the farmer's wheat and give the Minneapolis millers a license to range at will over the wheat fields of Canada and the United States and in combination with Canadian millers to dictate terms to farmers? [Laughter on the Republican side.]

Is it on account of your sympathy for the "suffering" of farmers that you propose to cut the duty on oats from 15 cents

to 10 cents a bushel and put oatmeal and rolled oats on the free list? [Laughter on the Republican side.]

Is it on account of your sympathy with the "suffering" of farmers that you propose to cut the duty on barley from 30 cents to 15 cents a bushel?

Is it on account of your sympathy with the "suffering" of farmers that you propose to cut the duty on hay from $4 to $2 a ton?

Is it on account of your sympathy for the "suffering" of farmers that you propose to make rye free?

Is it on account of your sympathy with the "suffering" of farmers that you propose to make potatoes free?

Is it on account of your sympathy with the "suffering" of the best-fed, best-paid, best-housed laboring man on earth that you propose to drive him into competition with foreign labor?

Again, I call attention to the Chaplain's prayer, "Since cant and hypocrisy are the worst of sins, preserve us, O Lord, from these." [Laughter on the Republican side.]

HIGH PRICES.

You talk about "private interests," but by this bill you will either centralize industries in the hands of a few great corporations by driving small competing industries to the wall or you will drive our industries out of business and turn our $36,000,000,000 market over to the exploitation of foreign monopolies which will raise or lower prices at will.

You charge in your platform that protection makes high prices, but prices are high the world over, and the Republican Party has not put a tariff wall around the world.

Mr. GORDON. It has not jurisdiction.

Mr. HAMILTON of Michigan. Prices are high, but protection has not made them high.

Prices have been going up alike in free trade and protected countries for the last 15 years. In the campaign of 1896 you Democrats said more money makes higher prices, and you demanded the free and unlimited coinage of silver and gold at the ratio of 16 to 1 to make more money in order to make higher prices.

More money does make higher prices, and in the 15 years from 1896 to 1911 the world's supply of gold increased from $202,251,600 a year to $461,000,000 a year.

More money does make higher prices, but it is only money that goes into use and circulation that affects prices, and in Democratic administrations the quantitative theory of money ceases to act affirmatively, because in Democratic administrations money refuses to go into circulation and is hidden away in fear. [Laughter and applause on the Republican side.]

Prices are high, and one reason why prices are high is because certain kinds of people feel more exclusive if they pay exclusive prices, and our merchants always try to accommodate.

There are certain kinds of people who actually feel superior because they eat expensive things. With these people superiority and exclusiveness come through the stomach and not through brains. [Laughter on the Republican side.]

Prices are high. A picture, by Rembrandt, of a woman picking a hen sold awhile ago for $250,000. [Laughter.]

Prices are high. If a carload of eggs should go to smash, it would cause a flurry in Wall Street. [Renewed laughter.]

Alimony is high. [Laughter.] I noticed the other day that a complainant in a divorce suit was demanding $125,000 a year alimony. She said it was necessary to enable her to maintain her standing in the society in which she moved. [Laughter.] I reckon it was. [Laughter.]

Life is cheap and prices are high. We read in the papers of some poor devil worn out with the struggle of life offering his body for sale for dissecting purposes, and in the next column we read of an expensive dinner being given to an aristocratic bulldog [laughter]—in New York. [Renewed laughter.]

Life and death are full of contrasts. It cost $200,000 to bury King Edward, and when some of us were being shown through the crematory connected with the quarantine station at Honolulu I saw a small tin can containing the ashes of an unknown man which had been there on a shelf for more than seven years. It did not cost much to bury him, poor fellow. [Laughter.]

Prices are high. It is getting so some people are afraid to go on living on account of the income tax and afraid to die on account of the inheritance tax and the undertaker's charges. [Laughter.]

Prices are high, and we are high with them. When the high cost of living struck Kansas an inspired commentator put it this way—he said: "We build schoolhouses and we send our children away from home to be educated." [Laughter.]

We grow weeds and buy vegetables. We throw away ashes and buy soap. We go fishing with a $10 rod and we go hunting 10-cent game with a $50 gun and a $20 dog. [Laughter.] Prices are high. [Laughter.]

But there are other causes of high prices than the increase of gold and one of these causes is found in the law of supply and demand. This question of prices is almost as difficult for a Democrat as that one about the difference in the scale of wages between England and Germany and between Germany and Belgium.

In the 10 years from 1900 to 1910 our population increased 21 per cent, while dairy cows increased only 20.4 per cent, and other cattle decreased 18.6 per cent, and sheep decreased 14.7 per cent, and hogs decreased 7.4 per cent. This in itself is enough to account for the high price of meat.

If on the six and a half million farms in this country 2 bushels of wheat or corn or oats or rye or barley could be grown where only 1 is grown now, or 2 head of cattle or sheep or hogs could be grown where only 1 is grown now, the problem of high prices would be swiftly solved, but it is a poor way to solve it by cutting down the price of what the farmer grows to sell upon the mistaken theory that because the people who live in cities are paying too much for what they have to buy the farmer is getting too much for what he grows to sell. [Applause on the Republican side.]

THE FARMER IS NOT RECEIVING HIGH PRICES.

There is another cause of high prices, and that is the movement of our population into cities. Every man or woman who leaves the farm reduces the number of producers of food.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAMILTON of Michigan. Give me five minutes more.

Mr. PAYNE. Mr. Chairman, I yield to the gentleman five minutes more.

Mr. HAMILTON of Michigan. The most ominous fact of modern conditions is that 46 per cent of our population is congested in cities, and this bill is a bid for the city vote.

These people are told that they are having to pay too much for what they have to buy because the farmer is getting too much for what he has to sell, but, as the Secretary of Agriculture says in his report for 1910, "The price received by the farmer is one thing; the price paid by the consumer is far different."

As a result of an investigation covering 78 cities scattered throughout the United States it was found that on the whole the farmers were not getting 50 per cent of the city retail price of things which they produce, and the Secretary of Agriculture winds up this part of his report by the statement that "the conclusion is inevitable that the consumer has no well-grounded complaint against the farmer for the price he pays."

COUNTING THE DOLLARS OF DEMOCRATIC APPROPRIATIONS.

This administration went into power with a full Treasury and abundant revenues, clamorously denouncing the "lavish appropriations of recent Republican Congresses," and ever since that time the Ways and Means Committee has been busy devising ways and means to meet appropriations until the total of appropriations and contract obligations voted in the last session of the Sixty-second Congress have outrun the appropriations and authorizations of the last session of the last Republican Congress by $86,860,049.22 and amount to $1,175,604,134.21.

We are told that a Treasury expert can count 4,000 silver dollars in an hour, and that in a day of 8 hours he can count 32,000 silver dollars.

Counting at that rate he can count a little less than a million dollars in 31 days, but if the appropriations and contract obligations of the last session of the Sixty-second Congress were converted into silver dollars and a Treasury expert were called upon to count them, when he had counted a million dollars he would be only at the beginning of the count.

In 10 years, counting at the rate of $4,000 an hour, he would have counted only a little over $119,000,000, and if he should keep on counting until he was old and gray and his eyes grew too dim to see and his ears too dull to hear the clinking coin, and the undertaker finally knocked at his door, he could not finish counting the dollars of Democratic appropriations and authorizations in the last session of the Sixty-second Congress, and no man since the days of the scriptural patriarchs has lived long enough to count them. [Laughter.]

THE VICE PRESIDENT'S SUGGESTION.

This money is drawn from American citizens, and if they complain the Vice President, who has talked more since he entered upon his "four years of silence" than ever before in his life [laughter], and to less purpose [laughter], has had the happy thought to advise them that the quietus long ago advocated by Karl Marx of repealing the laws of descent and cutting off the right to transmit property by will may be applied to them. [Laughter.]

There are crowds in great cities, and crowds breed demagogues. There are crowds in tenement districts, where people

are stacked up story above story, whose daily existence depends upon steady work, and if hard times should come back as a result of this bill this ill-advised suggestion of the Vice President will furnish the text of many a harangue by many a demagogue, with his flaring torch, talking at night from the curb under the shadow of great buildings, owned by colossal capital, to men out of work with families in want.

This is a time of national unrest, and I appeal to every patriotic American who holds a public place to stop playing for party advantage by sensational means, to stop playing to the galleries, to stop trying to outdo some one else in sensational utterances, and try the effect of sober sense and honest work. [Prolonged applause on the Republican side.]

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Kansas [Mr. MURDOCK].

Mr. MURDOCK. I yield to the gentleman from Illinois [Mr. HINEBAUGH].

The CHAIRMAN. The gentleman from Illinois [Mr. HINEBAUGH] is recognized.

Mr. HINEBAUGH. Mr. Chairman, it is undoubtedly somewhat presumptuous for a brand-new Congressman, and more particularly a brand-new Bull Moose Congressman, to undertake to address the august, dignified American Congress, especially so, as I have been told, that the new Congressman who succeeds in finding his way through the vast maze of marble halls in this Capitol Building during his first term has accomplished all that can be expected of any new man. But, Mr. Chairman, judging from the vast number of Members of this House here present at this moment, I take it that many of the older Congressmen are still lost in the maze of marble halls in this Capitol Building. [Laughter.]

We Progressives are frequently referred to by our opponents as Bull Moosers, and the term is intended by them for ridicule; but, Mr. Chairman, a herd of 4,000,000 militant, young, and vigorous Bull Moose is a magnificent sight when compared to a slow-moving band of 3,000,000 elephants, whose clumsy bulk impede their progress, or a group of 6,000,000 jackasses frightened by their own bray. [Laughter and applause.] I have been amused and pleased to hear our Democratic and Republican friends talking loudly about their desire to give every man, woman, and child in this broad land a square deal. Amused at their evident anxiety to adopt the term made famous by our great leader, and pleased because some of the gentlemen appear to be in dead earnest about it.

Mr. Chairman, to a freshman in the House of Representatives of the greatest Nation on earth the explanation of the gentleman from Alabama, together with the special plea he made for the child of his brain, was very interesting and to some extent instructive.

Especially the reasons given for the income-tax section of this bill—deficit, $68,000,000; income, $70,000,000.

I believe the gentleman is absolutely sincere in his desire to carry out the pledge of his party platform. He certainly made a splendid speech from his standpoint, and I am frank to say that if I could admit his premise I should be compelled to agree with his conclusion.

But I find myself unable to do either.

Among other things, he said:

> Our great responsibility is the interest and rights of the great mass of the consumers among the American people. From our viewpoint industry must be considered as secondary to the rights of the consumer.

That doctrine, Mr. Chairman, would be wise indeed if we could separate those interests.

We have in this Nation about 6,000,000 laboring men, who, with their families, number nearly 30,000,000, or about one-third of our entire population.

And whatever affects the interests of the laboring man affects directly the farmer and every other citizen in our country.

The plea of confession and avoidance of the gentleman from Massachusetts [Mr. GARDNER] would have been held good by the American jury had it been filed in time.

He has filed his plea, however, after the case has been tried and a verdict rendered, and his motion now for an arrest of judgment will be denied.

However, it has long been held in all courts that an honest confession is good for the soul.

In giving his reasons for the overthrow of his party the gentleman, among other things, said:

> In the first place, we stubbornly resisted reasonable reforms. Why we did so it is hard to say. Perhaps the truculent manner in which those reforms were advanced may have had much to do with our course. No man likes to be seized by the throat. No man who is a man will stand being threatened, especially by a reformer.

My answer to the gentleman's reason, as stated, is that in this case the reformer was a vast majority of the American people, and I take it that it is the bounden duty of the Representatives of the people who come to this legislative Hall to obey the orders given by those reformers. Again he says:

> The second reason for our dismissal was the fact that the country, I am sorry to say, desires a revision of the tariff much farther-reaching than the Payne law.

Again I say I can not conceive why the gentleman should regret that the country, if the country is advised, should require and demand a much farther downward revision of the tariff than was granted in the Payne law. Further he says:

> It can not be denied that subsequent reports of the Tariff Board have confirmed, in part at least, the country's judgment with respect to Schedule I and Schedule K, cotton goods and woolen goods.

And again:

> We failed to move with the age. That was the head and front of our offending. The Republican chieftains could not adjust their views to modern schools of thought.

Again I say to the gentleman from Massachusetts "honest confession is good for the soul."

One more quotation from the gentleman's speech, in which he says:

> Men sometimes forget their promises. Suppose that the Democrats fail to carry out their radical program. Will the country return at once to our party? I doubt it. The people wish to try some of these new ideas and are willing to risk the consequences of their proving disastrous. The Republicans have not given them the legislation which, wisely or foolishly, they wish. If the Democrats follow our example, it need surprise no one should the people turn to the Progressive Party.

I think the gentleman is absolutely right in his premise and in his conclusion. [Applause.]

That the leaders of the Democratic Party throughout the country are not united in their support of the Underwood bill is evidenced, not only by the fact that they were unable to agree in caucus, but that the Democratic governor of Massachusetts, in a special message to the legislature of that State, denounced this bill as a nonprotective tariff for revenue only—unreciprocal, destructive, downward revision.

And he further stated to the legislature:

> It is your right, it is your privilege, it is your duty to memorialize Congress in behalf of this Commonwealth against such a peril to the interests of Massachusetts.

I submit, Mr. Chairman, if what the governor says about the effect of this bill upon Massachusetts is true, it is also true concerning every other State in this Union.

Mr. Chairman, I had hoped that the majority, upon whom rests the grave responsibility of tariff legislation, would present the subject to the House in separate bills, which would enable me to vote for a substantial downward revision of some of the important schedules, such as the woolen, cotton, and sugar schedules.

Can any intelligent, fair-minded man contend, after our experience with the Payne-Aldrich Tariff Act, that the tariff is rightfully a political issue?

Political battles have been fought, and millions of dollars have been spent by the Republican and Democratic Parties, in a vain attempt to settle the tariff question as a political issue. For more than 50 years a purely local economical business question, affecting most vitally the interests of all our people, has been used, or rather misused, by the old parties for political advantage; and now, after all these years of trial and tribulation, as if we need a still further object lesson, the Democrats are about to put through this House a tariff measure which has been kicked up hill and down by members of their own party.

It is a bill which to some extent, at least, is an attempt on the part of the Democratic Party to keep its platform pledge; but, if we can believe the papers, it could not be passed without the tremendous power of political patronage.

The prospect of patronage plums to be handed out as soon as the tariff bill is passed is exceedingly effective. We are told through the columns of the public press that the President is using his high office to force Members of Congress to favor this bill.

Many Democrats believe they will be doing an irreparable injury to their States if they vote for the wool, cotton, and sugar schedules of this bill.

Every special interest in the Nation has filed its brief and used every ounce of pressure to have certain schedules of this bill defeated in this House, and they will naturally keep up their fight in the Senate. And when this bill becomes a law it will represent a compromise between the power of special privilege and the power of political patronage.

Mr. Chairman, our Democratic brethren told us in their national platform that a protective tariff was unconstitutional. And now with a hundred and fifty Democratic majority in this House we find Democrats from the sugar States, Democrats from the cotton States, and Democrats from woolen industry

States demanding a protective tariff on those schedules in this bill which directly affects the people of their particular sections.

All of which demonstrates beyond dispute the utter futility of attempting to adjust tariff rates by making them a political issue.

Mr. Chairman, the Progressive Party in this, as well as in many other matters, comes forward with the only rational solution of this great economic question and presents an amendment providing for the establishment of a nonpartisan scientific tariff commission which shall investigate all tariff schedules and report to the President of the United States and to both branches of Congress the cost of production, the efficiency of labor at home and abroad, capitalization, and industrial organization, and efficiency and the general competitive position in this country and abroad of all industries seeking protection from Congress; the revenue-producing power of the tariff and its relation to the resources of the Government; the effect of the tariff on prices; the operations of middlemen; and the purchasing power of the consumer.

We intend that this commission shall have absolute power to elicit information, and for that purpose the commission should prescribe a uniform system of accounting for the great protected industries, to the end that the American laboring man shall secure his fair share of the benefits of a protective tariff. And to the end that when all the facts are ascertained, if it shall appear in any given case that the tariff benefits no one but the bondholder at the expense of the consumer, it may be abolished.

There are various reasons, Mr. Chairman, for the creation of a nonpartisan, scientific tariff commission, but there are none more important than its removal from the field of partisan politics and the acknowledged inability of the average Member of Congress to understand its intricate details.

The brilliant and lamented Dolliver, of Iowa, died as the direct result of his unceasing labor to master the woolen schedule and present it in all its marvelous detail to the Senate. He did master it with that splendid mind, and he did present it with his God-given power of speech in such a manner that even the agents of special privilege were compelled to admit that he had exposed its inequities. And, Mr. Chairman, I am firmly convinced that if the Republican Party had even at that time been able to heed his advice, broken the spell of the special interests, and followed his leadership, it would be sitting in the seat of power to-day.

Dolliver saw the vision and read the future.

How can any Member of this House discharge the duties resting upon him in the consideration of this tariff bill without knowing whether the rates imposed by the bill are a true measure of the difference in the cost of production at home and abroad?

If the duty in a given case is too low, you wrong the labor of this country, and if it has been placed too high, you just as surely wrong the consumers of the country.

Every Member of this body, before he is called upon to vote for or against any schedule in this bill, should be fully advised as to the probable effect of the law upon the country.

I submit, Mr. Chairman, at least so far as the minority—perhaps I should say the principal minority—is concerned, we are compelled to proceed without any possibility of knowing definitely whether we are discharging our obligations to the people whom we represent.

Our Democratic brethren pledged their party to a tariff for revenue only, and declared the protective principle to be unconstitutional. And yet, are they now in a position to know that they are keeping that pledge?

It can not be denied that the new economic and industrial conditions in this Nation require the most careful study and the most complete investigation in the enactment of tariff legislation.

Our Democratic friends call themselves "revenue-tariff men." They do not object to the tariff, but are opposed to its protective features, especially when it affects some article in which they have no local or special interest.

Our Louisiana brothers are revenue-tariff men on lumber, wool, and cattle, but they believe in the protective-tariff principle as applied to sugar.

Our Democratic Members of the House and Senate from the woolen-industry States are warm and faithful advocates of protection on wool, but they are revenue-tariff men on sugar.

The absolute truth is that practically all the opposition to the protective system in the United States is of that kind.

Duties on imports, Mr. Chairman, are indirect taxes, and we all know that any indirect tax bears proportionately much harder on the poor than on the rich.

To my mind, therefore, it naturally follows that an indirect tax for the sole purpose of raising revenue is much more indefensible than an indirect tax imposed for the purpose of protection.

If the chief object is one of revenue to defray the necessary and legitimate expenses of the Government, why not accomplish that purpose by direct tax, as is contemplated by the income-tax section of this bill?

Such a method of taxation, under proper regulations and limitations, would serve every purpose and would at the same time result in a much more economical administration of the Government. The man who pays a direct tax knows what he pays and watches its expenditure.

Mr. Chairman, everybody knows that a tariff for revenue only may easily become a tariff for protection, and very high protection, on the specious plea that the revenue produced is required to defray the expenses of the Government. The real free trader will tell you that the difference between a revenue tariff and a protective tariff is the same as the difference between petty larceny and grand larceny.

Why not raise the curtain and stand out in the open? Why not be perfectly sincere? If revenue is the only question involved, then the indirect tax is unnecessary; and, besides, very frequently results in incidental protection.

If our Democratic friends are right, all the revenue required to run the Government could easily be produced by a direct tax on incomes, inheritances, and successions.

In any event, upon the theory of a revenue tariff the duties should fall only upon such commodities as are not produced in this country.

We of the Progressive Party believe in the protective-tariff principle. The American protective system has become an established institution, and when properly safeguarded and honestly regulated, by a nonpartisan, scientific tariff commission, free from the abuses to which it has been put by the overlords of special privilege, will guard the American workingman in every legitimate way against the underpaid labor of Europe, and will give to the American producer the American market when he makes honest goods and sells them at honest prices.

Thomas Jefferson, the founder of Democracy, recognized and favored the principle of protection and advocated discriminating duties in favor of American shipping and reciprocity treaties in favor of American trade. And, Mr. Chairman, the great body of the American people, irrespective of party name, are in favor of the protective principle in tariff legislation to-day.

The ordeal through which the Ways and Means Committee passed in defending this bill in the Democratic caucus emphasizes the utter absurdity of attempting to treat the tariff as a political issue, to be definitely and finally settled by any political party.

The truth is, Mr. Chairman, the two old parties, better known just now as the majority and second minority parties, are afraid to drop this bone of contention over which they have growled and snapped at each other for more than two generations, and by means of which they have alternately hoodwinked the people into giving them the offices. Because they know that, with the tariff out of politics, the advanced position now occupied by the Progressive Party on all social and industrial questions affecting the vital interests of the people is such that they never can hope to overtake us by means of the most ardent lip loyalty to progressive principles.

It is true that since the November election the Republican and Democratic Parties are falling over each other in a grand rush to clean their feet on our doormat, but they can not hope to fool the people by such antics.

Why, Mr. Chairman, some of our Republican brethren have gulped down the initiative and referendum, and are now gingerly reaching for the recall. Others are protesting loudly that they always did have a fondness for the minimum wage for woman, abolition of child labor, and equal suffrage for woman. But, my brethren, you will find it difficult indeed to fool the people a second time with the taste of the last dose of medicine which you gave them still bitter in their mouths.

In 1908 you promised them a downward revision of the exorbitant tariff, responding then, for political reasons, to what you recognized as a very general demand for a speedy correction of the long-standing tariff abuses. The people still believing in your lip loyalty to their just demands returned you to power.

You refused to take advice and follow the lead of men like Dolliver, LA FOLLETTE, CUMMINS, and BRISTOW in the Senate, and MURDOCK, NORRIS, POINDEXTER, COOPER, and others in the House.

You bowed your heads to the edicts of the invisible Government, and in less than 18 months the people changed a Republican majority of 45 in this House to a Democratic majority of 62, and 2 years later completed the job by estab-

lishing a Progressive Party in Congress and making you the second minority party in the Nation.

Be not deceived, my brethren of the revenue-tariff faith, your success in the last two elections is by no means an indication that the American people have abandoned the protective-tariff principle. Your victory was not due to the strength of your cause or of your party, but was the result of a cave-in of the Republican Party, as well as a revolt on the part of progressive men and women of all parties against the domination of special privilege in the affairs of government.

The line is clean cut and distinct between the majority and the first and second minority parties on the tariff question. The Democrats are for a revenue tariff only, and claim that wages are not established by tariff rates. The Republicans are for a high protective tariff and claim that wages are established by tariff rates. The Progressives are for protection and equalization of competition by a tariff commission, with power to ascertain all the facts which properly enter in the making of a tariff rate. The Progressive Party believes that wages are affected, but by no means established by tariff rates; and that a tariff commission should have plenary power to ascertain whether or not the labor employed in protected industries is receiving a fair and just proportion of the benefits of that protection. How, I inquire, Mr. Chairman, can all these important facts be ascertained, and how can the Ways and Means Committee, which reported this bill to the House, arrive at any definite conclusion as to how their action in any of these schedules will affect the country under the system employed by the committee in making up this bill? It is an undeniable fact that the great highly protected textile industries of the country employ the poorest-paid labor in this country.

Wherever the committee increased or decreased the rate on any schedule, we ought to be furnished with correct and reliable information concerning the difference in overhead charges—cost of labor—and the value of imports in each case.

We have no complete or detailed report from the Ways and Means Committee, in which their reasons are stated for the changes they have made in these tariff schedules.

I submit, Mr. Chairman, the committee should report to the House the cost of production at home and abroad—the rates of duty here and in other countries, the extent of competition, if any, and all other information which is necessary to determine the correctness of the rates, which they ask us to establish by this bill.

THE INCOME TAX, ITS INEQUALITIES.

In 1894 Congress passed an income-tax law. The operation of that law was never tested. It was declared unconstitutional by the Supreme Court. Aside from the corporation-tax law, now in force, our Democratic friends have had no experience and very little material upon which to base the second section of this bill.

In attempting to accomplish the double purpose of reducing the cost of living and restoring competition, they have been compelled to make up the loss in revenue by direct tax. Three-fourths of the several States some months ago ratified the amendment to the Constitution, which permits Congress to pass an income-tax law, and therefore it may well be assumed that the people of this country, or at least a majority of them, are in favor of the income tax. Personally I am and have been for many years in favor of an income tax. A direct tax upon incomes, inheritances, and successions. The present bill, however, in my judgment contains many inequalities and unjust discriminations.

HOW IT WILL BE APPLIED.

The man whose income is a salary of two thousand or three thousand or thirty-nine hundred dollars, or the man whose only income from other sources is two thousand, three thousand, or thirty-nine hundred dollars will pay no tax under the provisions of this bill. The bill imposes upon the entire net income of the individual over and above $4,000 a normal tax of 1 per cent. Upon that part of the individual's net income over $20,000 and under $50,000 an additional tax of 1 per cent is provided, and upon that part of the individual's net income over $50,000 and under $100,000 an additional tax of 2 per cent. Upon that part of the individual's net income in excess of $100,000 it provides for a maximum tax of 3 per cent. In arriving at the net income the bill allows certain deductions, such as the necessary expense of carrying on any business, all sums paid by the individual as interest on indebtedness, also National, State, county, school, and municipal taxes, loss in trade, or from fires, storm, or shipwreck, worthless debts charged off during the year, and reasonable allowance for wear and tear of property used in business, dividends upon the stock of any corporation or company. The bill also provides for certain exemptions, interest upon the obligations of a State or any political subdivisions of a State, and upon the obligations of the United States, the principal and interest of which are now exempt by law from Federal taxation, the salary of the present President of the United States, the compensation of judges of the Federal courts now in office, the compensation of all officers and employees of a State or any political subdivision of a State. Why should these exemptions be allowed?

It appears also that dividends upon the stock of corporations are exempt, the reason presumably being that all such profits are now taxed at the uniform rate of 1 per cent under the corporation-tax law. The bill also provides that whenever possible the tax shall be payable at the source of the income. This would mean that the man or the corporation paying his or its employees an annual salary of more than $4,000 must make return to the Government of that fact, and must withhold from the salary of the employee and pay to the Government the proper amount to cover the income tax upon the salary. The same provision applies to lessees or mortgagors of real or personal property, trustees, executors, administrators, and receivers. This provision to me seems an invasion of the rights of the employees.

ILLUSTRATIONS.

The man whose income is $10,000 will pay 1 per cent on $6,000, or $60. The man with an income of $30,000 will pay 1 per cent on $26,000, or $260; then he will pay the additional tax of 1 per cent on $10,000, the amount of his income above $20,000, or $100. His total tax, therefore, will be $360. The man with an income of $125,000 will pay 1 per cent on $121,000, or $1,210; also an additional tax of 1 per cent on $30,000, that part of his income between $20,000 and $50,000, or $300; also the additional tax of 2 per cent on $50,000, that part of his income between $50,000 and $100,000, or $500; also an additional tax of 3 per cent on $25,000, that part of his income over $100,000, or $750. His total tax, therefore, will be $1,210 plus $300 plus $500 plus $750, or $2,760.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HINEBAUGH. Will the gentleman from Kansas yield me three minutes more?

Mr. MURDOCK. I will yield the gentleman three minutes.

Mr. PAYNE. Where does the gentleman from Kansas get the three minutes? I have no objection to the gentleman from Alabama yielding him three minutes, or I will yield the gentleman from Kansas three minutes out of his time to-morrow, but I am obliged to hold closely on account of the time yielded to me.

Mr. UNDERWOOD. Of course, Mr. Chairman, we have yielded one-half of the time to one-third of the membership, but I will not be parsimonious about the matter and will yield the gentleman from Illinois three minutes. But before yielding to him, in my own time, I would like to answer a question that he asked. He asked the question why we excepted the salary of the President of the United States to-day. I call his attention to the fact that the Constitution of the United States has prescribed that we can not diminish the salary of the President during his term of office. In President Lincoln's time that matter came before the Attorney General of the United States, and he decided that the tax would be equivalent to diminishing the salary, and for that reason the salary of the present President was not taxed. I now yield three minutes to the gentleman from Illinois.

Mr. HINEBAUGH. Again, if Mr. Brown has an income of $3,500 from salary, he will pay no tax; and if Mr. Smith has an income of $3,500 from dividends, he will pay a tax of 1 per cent, or $35. His tax is to be paid direct by the corporation before the dividend is declared. It will, therefore, be seen that it may not come out of the dividends at all, but may be paid by the corporation from savings from other sources, such as wages to labor, clerk hire, and so forth.

Again, if Mr. Jones has an income of $4,500 from salary, he will pay a tax of 1 per cent on $500, or $5, to be deducted by his employer; but if Mr. Black has an income of $4,500 from dividends, there being no exemption, he will pay a tax of $45, while Mr. Green, who has an income of $4,500 from rents, will be allowed the exemption and his tax will be but $5.

A still further illustration of the inequalities of this bill in operation as between rents and dividends might be made, as follows:

Mr. A has an income of $60,000 from rents. He pays a tax of 1 per cent on $56,000, or $560; also an additional tax of 1 per cent on $30,000, or $300; also an additional tax of 2 per cent on $6,000, or $120, or a total tax of $980.

If Mr. B has an income of $60,000 from dividends, he will pay a normal tax of 1 per cent on the total amount, or $600.

In other words, the man who has an income of $60,000 from rents will pay $980 tax and the man who has an income of $60,000 from dividends will pay but $600.

I am unable to understand the logic of the discriminations affecting different kinds of property in the proposed bill.

In conclusion, Mr. Chairman, permit me to say that I believe every true citizen, whether in or out of Congress, desires that the prosperity of the country and of our people shall continue under whatever tariff may finally be enacted by this Congress.

And while we differ very sharply as to methods, I am certain our aim is the ultimate prosperity and happiness of our common country. [Loud applause.]

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Maine [Mr. GUERNSEY].

Mr. GUERNSEY. Mr. Chairman, the passing of the Federal Government under complete control of the Democratic Party on the 4th of March last—and southern control at that—foreshadowed changes in our governmental policies, but none foresaw that the most radical changes in the fiscal policy of the Nation since its formation were to be proposed and such as are presented by Chairman UNDERWOOD'S revenue-tariff, free-trade measure now under discussion.

This measure will put in force new methods for securing revenue for the support of the Government that not only will affect the wealthy of the country but those of most moderate means. It will compel the curtailment and in many instances the closing down of great industries that have been established under the protective-tariff system as the business of this country to-day is adjusted to a protective-tariff system.

The measure before the House was prepared with absolute disregard as to the cost of production abroad; absolute disregard of the effect of foreign competition; in absolute disregard of the extent that labor in the United States may be discharged as the result of increased importations from abroad.

In the campaign of 1912 and earlier in this House it was charged by Republicans that the Democratic Party was a free-trade party. With great heat this charge was denied here and denied throughout the United States prior to the election of 1912, yet the Underwood bill—the administration bill it may well be called—approaches nearer a free-trade measure than any tariff law ever presented to an American Congress. Its free list is of greater length. Imports aggregating last year more than one hundred millions, which paid a duty under existing law, would enter the country free under the provisions of this bill.

MORE FOREIGN GOODS.

Under the free-list provisions of the bill and the radical lower rates of the dutiable list importations from abroad will increase enormously. Every dollar of foreign product or merchandise that enters the country will replace labor and production here. Our money will be spent in the employment of labor abroad instead of at home.

Advocates of this measure claim it will lift the burden of taxation from the average man and lower the cost of living. Nevertheless the measure plans to collect from the country millions of dollars more than the existing law collects, and should its enactment be followed by stagnation in business it will add to the burdens of the people, and, instead of reducing the cost of living, as claimed by many, it will reduce living.

It is contended by those in charge of the bill that a protective tariff creates trusts, but regulation of tariffs will not prove the solution of the trust question, and, as many of the so-called trusts are to-day international in their scope, it is probable that the tariff reductions will have little effect upon them and in many instances greatly add to their advantage.

WILL LOSE CUBAN TRADE.

It is claimed for the measure that it will extend our foreign trade. It is obvious that it will increase our purchases abroad but not probable that it will materially increase our sales across the water, while in Cuba the passage of this measure will probably result in the termination of the preferential treaty with that island and the loss of a large and growing trade in flour, potatoes, and other products of the United States that are now sold in the Cuban market under the treaty advantages.

If the preferential treaty with Cuba is terminated, as I believe will be the ultimate result of the passage of this legislation, the Cuban trade will be lost by us to Canada, who will capture it with her subsidized steamship lines that are now being extended from the Maritime Provinces to the West Indies.

The present administration has taken over the Government of the United States while the country is enjoying the full swing of business prosperity that has existed throughout the entire period of the last Republican administration—industrial prosperity unequaled in our history. Never have our agricultural interests been so active and the encouragement to develop and cultivate the soil been so great as in recent years.

WILL DISCOURAGE AGRICULTURE.

The policy of the Government should be to encourage these conditions, as upon the prosperity of the farmer depends the prosperity and future of the Nation. The measure before Congress holds out no inducements to our agricultural interests. Indeed, this bill seems to have been drawn wholly for the purpose of slaughtering the American farmer. None of his products are left untouched. It is far worse than reciprocity, as it places him in direct competition with the world. It will compel him to compete with the farming conditions of Europe, and may compel him to withhold his children from school and his wife from the household for work in the field.

This measure will not only bring depression to our agricultural interests, but to our manufacturing interests, if we can judge anything by our political history, which is full of the record of disaster that has almost invariably followed radical reductions in the tariff. Many times in the past 124 years, since the adoption of the Constitution, we, as a people, have changed our financial policy, sometimes from protection toward free trade, and as often been driven back to the policy of protection by hard experience.

FIRST PROTECTIVE TARIFF.

From 1812 to 1816 the country enjoyed its first real protective-tariff laws. During that period five in number were enacted, which increased the entire list of duties about 100 per cent. Under the policy the American market was reserved for the American manufacturer, and notwithstanding the severe drain of the war with England the country was more prosperous and wealthy at the close of the war than at its beginning.

ACT OF 1816.

April 27, 1816, Congress by an act greatly reduced the duties, with the result that business depression came over the country. Henry Clay described the effect some years later:

We behold—

He said—

general distress pervading the whole country; unthrashed crops of grain perishing in our barns for want of a market; universal complaint of the want of employment and consequent reduction of the wages of labor. Property of the Nation has on an average sunk not less than 50 per cent within a few years.

TARIFF OF 1824.

May 22, 1824, Congress passed a new tariff act. It was a protective tariff, and was followed by business revival. The factory, the farm, our shipping, mercantile, commercial, and every branch of business enjoyed great prosperity. In 1828 the duties were further increased by Congress. Mr. Clay, in an eloquent speech in the United States Senate on February 2, 1832, said:

If I were to select any term of seven years since the adoption of our Constitution which exhibited a scene of the most undisputed dismay and dissolution it would be exactly that term of seven years immediately preceding the establishment of the tariff of 1824. If a term of seven years were to be selected of the greatest prosperity which the people ever enjoyed it would be exactly that period of seven years which immediately followed the passage of the tariff law of 1824.

TARIFF OF 1832.

On July 14, 1832, a new tariff law was enacted to reduce the duties to a uniform level of 20 per cent ad valorem. The reduction was gradual and extended over a period of several years, but its effect on business was disastrous. One writer charges it generally to being the cause of the great financial crisis of 1837. He said of it:

Within five years a panic swept over the country that almost beggars description for its severity and its distress. Not only were manufactures prostrated, but commerce, navigation, mining, and especially agriculture shared in the general wreck. Mortgages were foreclosed and forced sales made in every direction.

TARIFF OF 1842.

In 1840 the voters of the country rose in their might and drove from power the party that they held responsible for the tariff of 1832, and on August 30, 1842, another protective law became effective. During its existence, a period of four years, business of the country recovered and financial distress and depression passed away, and the prosperity of the agricultural and manufacturing interests were restored.

TARIFF OF 1846.

The Walker tariff, as the tariff measure of 1846 is often called, was a low-tariff measure and is often pointed to by the Democratic Party as the tariff that brought the greatest and most beneficial results to the country, thereby justifying low tariff rates.

But conditions other than tariff affected that period. Successful war with Mexico and the expenditure and distribution

of $150,000,000 in the country in order to carry on the war stimulated industry. Gold was discovered in California, giving further impetus to business, while famine in Ireland made enormous demands for our breadstuffs.

As time passed on, however, the benefits of these unusual conditions passed away, and March 3, 1857, the duties were further lowered by Congress, and there followed business depression in all classes of industry. President Buchanan, in a message to Congress late in 1857, called attention to the situation in the following language:

In the midst of unsurpassed plenty in all the productions and elements of national wealth we find our manufactures suspended, our public works retarded, and private enterprise of different kinds abandoned, and thousands of useful laborers thrown out of employment and reduced to want.

With these distressing conditions throughout the country the demand for a revision of the tariff system became imminent, and it was revised along the lines of a protective tariff, which went into effect on March 2, 1861, at the very close of the Buchanan administration.

TARIFF OF 1890.

The McKinley law, as the law of October 6, 1890, is generally known, was a protective-tariff measure, but before its effect could be judged the election of November, 1890, occurred and a Democratic majority was chosen in the House of Representatives, and with the impetus thus gained two years later the Democratic Party elected Grover Cleveland President and secured control of the Senate as well as the House.

For a long period protective tariffs had been in force and a demand existed in the country for a trial of lower customs rates. In response to this the Democratic Party sought to enact legislation in accordance with the Democratic ideas of tariff reform.

TARIFF OF 1894.

August 27, 1894, the Wilson-Gorman bill became a law, and became such without the approval of President Cleveland, who withheld his signature. The measure was publicly condemned by the President and later by the country. It was a low-tariff measure, and its effect on business was destructive. Farm values throughout the country went to the lowest point that they had reached for many years. All classes of farm products and stock were practically without a market. Unemployed men swarmed the country in every direction in search of work. Able-bodied men accepted labor at wages that gave them practically nothing but their board. Manufacturing everywhere was at a standstill, trade and commerce were paralyzed. The Government revenues fell to so low a point that it was compelled to issue bonds to pay its running expenses. These conditions not only followed the enactment of the 1894 law, but began to accumulate some time prior to its enactment in anticipation of its results. Again the country turned after this bitter experience to a protective tariff, with the result that in the elections that followed in 1896 the Republican Party was returned to power in both branches of Congress, and William McKinley was elected President of the United States.

TARIFF OF 1897.

In 1897 the Dingley tariff law—probably the most skillfully drawn protective-tariff law that this country has ever known—was placed on the statute books of the Federal Government. The results that followed this law were most strikingly beneficial. Business of the country was restored to a sound financial basis. Prosperity burst forth in every line of industry. Since its enactment farms and the mills have flourished to an extent unequaled in our history as a Nation. The results of the measure vindicate to the very last degree the wisdom of the protective-tariff system for this country.

The tariff law of 1909 continued in force the protective policies under which the Nation had made such great progress since the enactment of the law of 1897.

In the light of the history of tariff legislation of this country, can it be expected that the radical lowering of rates proposed by the Underwood bill will be beneficial? How can we view the provisions of the bill other than with alarm?

The Democratic Party is not unlike a man who has just inherited a rich estate. Will the party be able to carry it on, continue its prosperity, and increase it, or will it, through the adoption of most violent and radical changes in the fiscal policy, experimental and uncertain in result, stop production, ruin the estate, and leave it mortgaged and in bankruptcy?

DISCRIMINATION AGAINST NEW ENGLAND.

An examination of the proposed tariff law leads me to believe that it is not only built along free-trade lines, but it intentionally discriminates against industries of the New England States. For years Senators and Representatives of the West have been charging that New England was unduly favored in tariff legislation, and I believe that the same feeling is entertained in the South, as during tariff discussion within two years a prominent Member from a Southern State declared on the floor of the House that he was in favor of a tariff that would close the cotton mills of New England and force them to move to the cotton fields of the South, where they belonged. Congress and the Presidency are to-day in control of southern men.

WOOLEN INDUSTRY.

The tariff bill itself bears evidence of this discrimination. It makes radical reductions in the duties on cotton goods. It is especially aimed at the great woolen industry of New England. It is toward the manufacturer of woolen goods that the full force and fury of this Democratic revision seems to be directed. Here we find the most severe cuts in the rates. These mills are to-day in sharp competition between themselves. Add foreign competition and many will be compelled to close their doors.

The chairman of the Ways and Means Committee asserted here on the floor but yesterday that the old, worn-out mills were being sustained through tariff legislation. Did he refer to the woolen industry of New England? There may be some such mills, but the vast majority of the New England woolen mills are the most modern in equipment and up to date in construction to be found in this or any other country.

SHOE INDUSTRY.

That leading industry in New England, the shoe industry, seems also to have been selected for sacrifice, as shoes have been placed on the free list. Why does the Democratic Party favor endangering the shoe industry of the New England States? American shoe machinery will be set up in Europe, operated by the low-cost labor of foreign countries, and our markets supplied by the foreign article. This must be the inevitable result.

SARDINE INDUSTRY.

The New England fish industry is also the subject for severe attack by the provisions of this bill. The rates proposed for the sardine packers of Maine threaten to transfer a great portion, if not the whole, of that important industry to Canada, an industry which has built up and maintains large communities along the coast of Maine. If present wage scales are maintained for those employed in this industry, competition with the Canadians will be impossible, and much less with Norway, which is a strong competitor for the American market, and where, I am told, the labor of girls employed is from 18 to 20 cents and men from 40 to 50 cents per day.

MAINE PULP AND PAPER INDUSTRY.

A New England industry of great importance, not only to New England but to the country, is that of paper making. In the State of Maine alone there are 44 pulp or paper mills in operation. They represent investments of more than $40,000,000 in mill properties and employ more than 15,000 men. One company alone—the Great Northern Paper Co.—has an investment of more than $18,000,000 employed in paper making. It employs 1,500 men in its mills and in getting the raw material from the forest about 3,500 men, and produces 565 tons of paper per day.

These paper companies are developing the resources of the State. They are developing the heretofore undeveloped water powers of the State. They are developing properties, towns, and communities, often in the very wilderness of Maine. They are supporting thousands of people of the State, giving millions of tons of freight to railroads, and furnishing business to the business men of Maine, large and small.

The future of the State of Maine depends to a great extent upon the continuance and development of this great industry. There is an empire undeveloped in northern Maine, though it is in the older part of the United States. It is a vast territory containing millions of acres of unbroken forest that slopes toward the St. John's waters and is drained by that important river. On this territory it is estimated that there is about fifty millions of cords of pulp wood, which would supply an annual stock forever, by cutting at the rate of 3 per cent per annum, to paper mills producing 2,000 tons of news-print paper per day.

Great paper mills are on the eve of construction along the St. John River in Canada. Pass this bill unamended and you will insure the delivery of the great wood products from more than 4,000,000 acres of Maine forests to paper companies along the St. John, in New Brunswick, for manufacturing into a finished product to the upbuilding and growth of the Dominion of Canada, not alone for the present, but for all time.

Pass this bill unamended and you will prevent the development of this great raw-material producing territory within the United States and prevent the development of its vast undeveloped water powers, estimated to be equivalent to 200,000 horsepower, now running to waste. To my mind, the situation I

have just mentioned presents a most forcible illustration of the possibility and probability of driving by legislation raw material out of the United States for manufacture into a finished product in a neighboring country. The northern Maine situation should cause Congress to pause and give to it its fullest consideration, as it is of the greatest importance. This bill will decide as to whether water power to the extent of hundreds of thousands of horsepower shall be developed and employed in the manufacture into a finished product raw material within our own country, for our own people, and the development of our natural resources.

KEEP RAW MATERIAL AT HOME.

Amend this bill so as to give this great industry fair treatment and reasonable protection. Give to it at least such protection as the Mann report said it should have, and in so doing you will legislate to save to the people of the United States the enormous natural wealth in raw material in northern Maine, and in so doing you will legislate to develop the resources of the country and upbuild the United States. My time to speak on this subject is too limited to do it justice, and I can not find language strong enough in which to condemn this legislation which will turn over to Canada the products of one of our great forests, and at the very time when the Canadian Provinces are passing restrictions that compel the manufacture within the Dominion of Canada into finished products, the products of her forests. In view of our own situation and the ease with which we might reserve these natural resources to ourselves—in view of the attitude of the Dominion and Provincial Governments—this legislation as proposed is unexplainable, unless, as it has seemed to me, that there is a well-determined purpose to discriminate against the New England States.

CANADIAN POTATO MENACE.

One of the chief food products of the country is potatoes. One of the great potato-growing sections of the country is New England and particularly the State of Maine. This industry in Maine is exceptionally exposed to foreign competition. On three sides the State is surrounded by Canada. Across the international line farm lands equally as good as those within the State are valued at 30 to 50 per cent less. Farm labor per month is proportionately less. The potato pickers of Aroostook County last fall were paid from $2.50 to $3 per day, while at the same time in the Annapolis Valley, in Nova Scotia, the same class of labor was receiving $1.50 per day.

The Democratic tariff bill selects this great food product grown in New England States for sacrifice, placing it on the free list and placing it there now, with the result that it will imperil the price of the crop this year; placing it there in the face of the fact that foreign potatoes can enter the markets of New York and Boston, the great potato markets of the East, at water rates far cheaper than northern Maine potatoes can be transported to such points by rail.

DANGER OF FOREIGN POTATOES.

The danger of this foreign competition is clearly shown by the extent that foreign potatoes entered these markets during the last fiscal year, even with the present tariff in force. For the fiscal year ending June 30, 1912, there were imported into this country from England 3,377,426 bushels; from Scotland 4,645,877 bushels, and from Ireland 4,606,981 bushels of potatoes, which, together with some other importations, brought the total amount of potatoes imported up to nearly 14,000,000 of bushels, which paid the duty of 25 cents per bushel and entered our markets. With that duty removed foreign potatoes many times that amount will annually be imported and take from our farmers our markets to that extent.

MAINE FARMERS INJURED.

Add to the foreign competition the competition of Canada, with her lower-priced lands, lower-paid labor, and cheap water transportation from the Maritime Provinces to Boston and New York markets and it will be seen that the Maine potato grower will, under the provisions of the pending bill, suffer from severe shrinkage in his land investment and in loss of market for his product. All considered, the present 25 cents duty is none too much to properly equalize conditions with the potato producer, foreign or Canadian.

If this administration believes that a reduction in the potato tariff should be made, it should be made gradually; only a portion should be removed at this time. The immediate free listing of this important product, in the production of which so many have their all invested, will bring financial ruin to large numbers of farmers in the New England States. If this provision in the bill free listing potatoes is allowed to stand and become a law, the Democratic Party must be held accountable in the elections to come for whatever distress and disaster follows. This tariff discrimination against potatoes is particularly unjust in view of the fact that the framers of the bill in dealing with other important food products not grown in New England dealt differently.

UNFAIR DISCRIMINATION.

The great wheat-growing sections of the Northwest are allowed to retain a duty of 10 cents a bushel on wheat to guard their product against the wheat fields of Canada. The rice of Texas and other Southern States is amply protected under the provisions of this bill for the well-known reason that in the South they are making at present large investments in rice culture and a protective tariff is necessary to promote the industry; consequently the rice growers are taken care of. The producers of pineapples, oranges, and grapefruit in Florida are allowed protective duties, and the Louisiana sugar grower is given three years in which to adjust his business to the proposed free listing of his product.

I assert again that the Underwood tariff measure now before Congress contains in its provisions deliberate, intentional, and unjust discriminations against the manufacturing and agricultural interests of the New England States. [Applause on the Republican side.]

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. SMITH].

Mr. SMITH of Minnesota. Mr. Chairman, I did not expect when I came to Congress to take part in enacting a tariff measure for the benefit of Canada, or, to be more accurate, I did not expect to be compelled to oppose certain items of a measure that protects Canadian industries at the expense of the agricultural and milling industries of this country.

I had always believed that there was a clear line of demarcation between free trade, tariff for revenue only, and a protective tariff, and that any bill or measure that was proposed or enacted into law in this Congress would be based upon one of these policies; but it is apparent that the measure now before the House for consideration is neither a protective measure, nor a tariff-for-revenue-only measure, nor a free-trade measure.

Mr. Chairman, whatever it may be, certain features of it and certain items in it are against the best interests and welfare of the people of this country. I call the special attention of the House at this time to the items affecting wheat and the manufactured products of wheat, oats and the manufactured products of oats.

This measure places the raw material on the protective list and the manufactured product on the free list. In my limited experience, Mr. Chairman, I wish to say that I have never heard of such an economic propaganda being proposed. I know of no other country that has ever attempted or that now has such a provision in its tariff regulations. I know of no other country that has attempted to discriminate against its own manufacturers, its own workers, and its own producers for the benefit of the people of a foreign country.

On the contrary, every country that has a tariff gives the advantage to the importation of raw material, so that its mills and its factories may furnish employment for its labor. Every country on the face of the globe gives its manufacturers, its laborers, and its producers at least an equal opportunity with the foreign competitors, and many give them an advantage. For example: In Belgium, Russia, and British India there is a duty on flour, while wheat is free. In the United Kingdom, Denmark, Netherlands, and China both wheat and flour are free. In all other wheat and flour producing countries there is a duty on both wheat and flour, and the duty on flour is at least compensatory to that on wheat. But this bill proposes a duty of 10 cents per bushel on wheat and a like duty per bushel on oats. At the same time it proposes to admit the manufactured products of these cereals free. What basis there is for such procedure is absolutely inconceivable.

Mr. Chairman, the framers of this bill recognized the necessity of protecting the farmer by placing a duty of 10 cents per bushel on wheat and oats. Immediately following is a provision admitting the manufactured products of wheat and oats free, which nullifies the benefit that the farmer would get from the protection put upon his products. When flour is placed on the free list, can anyone show, by any process of reasoning, that the farmer will retain his protection of 10 cents per bushel on his product, which the authors of this bill concede he is entitled to? It does not require much investigation for anyone to discover that the very thing which by this bill it is conceded the farmer is entitled to is immediately, in the same bill, taken from him.

It is not for me, Mr. Chairman, to question the motives of the makers of this bill. I am simply going to confine myself to pointing out to this House before it casts its votes for such an unfair, unjust, and discriminatory measure its inequality and iniquity.

Not being content with attempting to make the farmer believe that he is being protected to the extent of 10 cents per

bushel on his products, the framers of this bill also try to placate the flour producer by inserting a clause providing for a contravailing duty of 10 per cent ad valorem on flour imported into the United States from a country imposing a duty on flour made in this country. By writing into the proposed law this contravailing clause the authors of this bill also admit and affirmatively declare that the American manufacturer of flour needs a compensatory duty of 10 per cent ad valorem to equalize the handicap imposed upon him by placing a duty on the raw material. The contravailing clause is an admission by the framers of this bill that the American miller needs a compensatory duty to enable him to compete with the Canadian miller on an equal basis.

But of what benefit, Mr. Chairman, is the contravailing clause? Will not Canada immediately remove the duty on flour imported from this country and thus be enabled to export her flour into this country free of duty? Does anyone for an instant believe that Canada will fail to avail herself of the opportunity afforded of trading a market of 8,000,000 people for a market of 95,000,000 people? Is it not a fact that under normal conditions the average price of wheat per bushel in Winnipeg is 10 cents less than in Minneapolis? And as proof of this proposition, Mr. Chairman, I wish to insert in the RECORD a table prepared by the Tariff Board showing the average monthly prices from 1905 to 1910 of wheat in Minneapolis and Winnipeg:

Minneapolis and Winnipeg prices and the advance of Minneapolis over Winnipeg prices, page 97 of Senate Document 849, Sixty-first Congress, third session, being message from the President of the United States transmitting in response to Senate resolution of Feb. 23, 1911, a report from the Tariff Board relative to various commodities named in the proposed Canadian reciprocity measure.

	Minneapolis prices.	Winnipeg prices.	Difference.
			Cents.
1905.			
January	$1.13⅞	$1.00	13⅞
February	1.16	1.01¾	14¼
March	1.11	.92⅝	18⅜
April	1.09	.91½	17½
May	1.15⅛	.91	24⅛
June	1.10¼	1.01⅜	8⅝
July	1.09½	1.07½	2
August	1.09½	1.01	8½
September	.82⅞	.77½	5⅜
October	.84½	.77	7½
November	.84⅜	.77½	7⅛
December	.87⅜	.76⅜	11
1906.			
January	.83½	.76¼	7⅜
February	.82¾	.76⅜	6⅜
March	.75½	.72⅜	2⅛
April	.80⅜	.78⅞	1½
May	.82½	.79⅜	2⅛
June	.84⅜	.83⅜	1
July	.78⅜	.79½	1
August	.75	.74½	⅜
September	.70¼	.72	2
October	.76½	.75½	⅛
November	.80	.73⅜	6⅝
December	.81	.73⅜	7⅛
1907.			
January	.79⅜	.72½	7¼
February	.84⅜	.75½	8⅞
March	.81⅜	.75¾	5⅝
April	.82⅜	.77	5½
May	.99½	.87½	12
June	.99¼	.89½	10⅜
July	.99	.91½	7½
August	.95⅜	.89½	6
September	1.07½	1.02	5½
October	1.17	1.13	4
November	1.03	1.02	1
December	1.08	1.05⅜	3⅛
1908.			
January	1.10⅜	1.08⅜	2
February	1.04	1.06	2
March	1.07½	1.09½	2
April	1.00	1.01	⅛
May	1.08⅜	1.14¼	5⅞
June	1.09	1.05½	3½
July	1.15½	1.04¾	10¾
August	1.23	1.06½	16½
September	1.02⅜	.98½	4
October	1.02⅝	.98	4⅝
November	1.08½	1.03⅜	4½
December	1.06¾	.97½	9¼
1909.			
January	1.07⅜	.99⅜	7⅛
February	1.12½	1.07	5½
March	1.16	1.10⅝	5⅜
April	1.26⅜	1.23¼	2⅛
May	1.29½	1.23	6½
June	1.34½	1.31	3½
July	1.31⅜	1.30	1⅜
August	1.37½	1.13	24½
September	1.01⅜	1.00½	⅞

Minneapolis and Winnipeg prices and the advance of Minneapolis over Winnipeg prices, etc.—Continued.

	Minneapolis prices.	Winnipeg prices.	Difference.
			Cents.
1909—Continued.			
October	$1.03⅞	$0.99⅜	4½
November	1.06⅜	.98½	8⅜
December	1.13¼	.98½	14¾
1910.			
January	1.15½	1.04	11½
February	1.14	1.02½	11½
March	1.14	1.04	10
April	1.11½	1.03½	8
May	1.11	.97½	13⅜
June	1.05	.89½	15⅝
July	1.25½	1.17⅝	7⅞
August	1.15⅜	1.05¼	9⅛
September	1.11	1.05	6
October	1.07⅜	.98⅞	8½
November	1.04⅜	.91½	12¾
December			

These tables show that the Minneapolis prices have been higher than the Winnipeg prices sixty-five times, while the Winnipeg prices have been higher than the Minneapolis prices only six times. They show that during these 72 months covered by these tables the Winnipeg prices have been 5 cents higher than the Minneapolis prices only once, while the Minneapolis prices have been more than 10 cents higher than the Winnipeg prices eighteen times and more than 5 cents higher forty-five times.

Is it not a fact that the Canadian miller enjoys transportation facilities equal with our own miller? Is it not a fact that, as far as the cost of transportation is concerned, he can place his flour in the markets of this country as cheaply as can the home manufacturer? In this connection I wish to submit a report which I received from the Secretary of the Interstate Commerce Commission, which shows that the cost of shipping wheat and flour from Winnipeg to Boston and from Minneapolis to Boston is approximately the same, and that the cost of shipment from Emerson to Port Arthur is about the same as the cost of shipment from Pembina to Duluth.

Is it not a fact that the fertile Canadian wheat fields produce on the average 4 bushels more per acre than do the wheat fields of the United States? In this connection I wish to call attention to the average wheat yield per acre of the three great wheat-growing States—Minnesota, North and South Dakota—in 1911 and 1912, and also the average wheat yield per acre of the wheat fields of western Canada:

Wheat yield per acre.

	Bushels.
Minnesota:	
1911	10.1
1912	15.5
North Dakota:	
1911	8.0
1912	18.0
South Dakota:	
1911	4.0
1912	14.2
Western Canada:	
1911	18.2
1912	18.6

Not wishing to tire the House by going into a detailed statement of the resources and productiveness of Western Canada as a wheat-producing country, I wish to quote what Mr. Fisher, former secretary of agriculture of Canada, said during the recent reciprocity controversy:

> If reciprocity is going to result in our northwestern farmers selling their wheat to the United States market, why will they do it? Simply because the price the American miller will pay for it will be higher than the Canadian miller has been willing to pay for it. If 1,000,000 people in 1909, cultivating 7,000,000 acres of wheat, produced 147,000,000 bushels, what will the people of the Canadian Northwest produce when that country is fairly well filled up and we have five or six millions between the Great Lakes and the Rocky Mountains? That estimate of the future population of the Northwest is not an extravagant one, nor need we look very far ahead for these results. When that comes the Canadian Northwest will produce 1,000,000,000 bushels of wheat. I venture to say that the farmers will need not only the home market and the American market but also the European market in which to sell the wheat.

Not only has Canada boundless wheat fields but she has excellent mills, that are to-day capable of grinding 111,000 barrels per day. The capacity of these mills is being rapidly increased, and it will be increased far more rapidly if the proposed measure becomes a law.

Is it not a fact, Mr. Chairman, that the proposed tariff law gives the Canadian miller free access to our market, and that for every barrel of flour that comes into our market from 4½ to 5 bushels of the home market for home-grown wheat is displaced? Will not the American farmer be compelled to sell his wheat to the home miller for as low a price as the Canadian farmer sells

his wheat to the Canadian miller, or take his choice of selling his wheat for export or cease growing wheat? Where, then, is the protection for the farmer proposed by this measure? Where, then, are the producers of 621,000,000 bushels of wheat going to market their product? In what respect does the proposed law protect the farmer in the enjoyment of his home market? Is it not apparent from what I have stated that the placing of a duty of 10 cents per bushel on the importation of wheat into this country is simply a blind to hoodwink our agriculturists?

Mr. Chairman, I have dwelt at length upon the competition that the American farmer and miller has to fear from Canada, because she is our next-door neighbor and has the greatest wheat fields, developed and undeveloped, in the world, and she has and is building the finest mills in the world. She has more coal in the ground and greater water powers than any other wheat-producing country. Can we comprehend all this and at the same time believe that the home market of the farmer and manufacturer is secure if such a measure is passed?

But Canada is not the only country, Mr. Chairman, that can take advantage of this law. Great Britain is in a position to take advantage of it at once. She has great mills and is the clearing house for the surplus wheat of the world.

The Argentine Republic, with a population of only 5,000,000, produces annually from 175,000,000 to 200,000,000 bushels of wheat and only needs 25,000,000 of it for her home market. The balance she can export in either the shape of flour or wheat. She enjoys water transportation direct to the doors of our markets, and that is the cheapest kind of transportation.

Mr. Chairman, I might go on and take other wheat-producing countries and show the probability of their becoming rivals in our own markets, but I have confined myself to those which are not only probable competitors but which I consider absolutely certain to become active competitors in our markets.

Is it not apparent that the measure under consideration, first, concedes that the farmer is entitled to protection of 10 cents per bushel on his wheat; second, concedes that the miller is entitled to a countervailing duty of 10 per cent ad valorem on his flour as a compensatory duty to make up the loss to him for the 10 cents a bushel duty he has to pay on his raw material? Third, is it not also apparent and can any other conclusion be drawn but that the farmer and the miller are deprived of the benefits which the framers of this bill declare they are entitled to?

And we, as Members of this House, are asked to vote for that sort of legislation, which, upon its face, brands it as unjust and unfair.

The authors of this bill, astute men as they are, having recognized the fact that they have robbed the miller of his home market, have incorporated in this bill a "drawback clause" calculated to give him an export market in exchange for the home market taken away from him. If this provision is of benefit to the miller, how will it benefit the farmer? What benefit will he derive from the fact that legislation is enacted enabling the miller to manufacture foreign wheat into flour without paying any duty on that wheat? Does not 30 per cent of every bushel imported under the "drawback" come into competition, in the shape of by-products, with the produce of the farm? And is it not a fact, that while the miller has turned over his mill to the manufacture of imported wheat into flour under the "drawback" that the demand of the miller for home-grown wheat is lessened? This "drawback" can only be taken advantage of by the milling company which owns several mills. The small mills of the country can not take advantage of it, as under the provisions of the drawback the miller must specifically identify the exported flour as being made from wheat that he imported before he is entitled to his drawback, and in order to do this he must set aside one or more mills for the manufacture into flour of nothing but imported wheat. It is obvious that the small mills can not take advantage of this provision, and there are over 11,000 small mills in this country, distributed over every State in the Union.

Mr. UNDERWOOD. Will the gentleman from Minnesota yield for a moment?

Mr. SMITH of Minnesota. I would rather not, as I close my speech in a few moments.

Mr. Chairman, it is obvious to me, and I believe it is to everyone who has given the matter careful consideration, that the provisions of the proposed law that I have called attention to are manifestly unwise, unjust, and unfair, not only to the farmers and the millers but to all who form a part of our whole industrial and economic system.

One of the most distinguished men on the Ways and Means Committee admitted to-day that the only difference it made was 1 mill on a bushel of wheat. Gentlemen, can you go through all the forms provided for collecting the duty on wheat, get the drawback, and pay back to the Government anything? Is it not an unnecessary expense heaped upon a trade, and for what? For the purpose of deceiving the farmer and deceiving the miller. There may be some slight advantage to the large miller, but none to the small miller, and there is not a particle of advantage to the farmer. [Loud applause.]

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee determined to rise, and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 3321, and had come to no resolution thereon.

ENROLLED JOINT RESOLUTION SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 62. Joint resolution making an appropriation for defraying the expenses of the committees of the Senate and House of Representatives authorized to attend and represent the Senate and House at the unveiling and dedication of the memorial to Thomas Jefferson at St. Louis, Mo.

RESIGNATION FROM A COMMITTEE.

The SPEAKER laid before the House the following communication:

APRIL 23, 1913.

Hon. CHAMP CLARK,
Speaker House of Representatives, Washington, D. C.

DEAR SIR: I hereby tender my resignation as a member of the committee appointed to attend the unveiling of the Jefferson memorial at St. Louis, Mo. Regretting that I will be unable to attend the exercises or serve in any capacity, I am,

Very respectfully,
J. W. COLLIER,
Representative Eighth District of Mississippi.

The SPEAKER appointed Mr. BORLAND as a member of that committee.

TARIFF REPORT.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution I send to the desk in relation to an additional print of the tariff report. I find that we can not get enough under the order of the House, and I am obliged to get them by a concurrent resolution.

The SPEAKER. The gentleman from Alabama asks unanimous consent for the present consideration of the resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 7.

Resolved by the House of Representatives (the Senate concurring), That there be printed 20,000 additional copies of the report of the Ways and Means Committee on H. R. 3321, 15,000 copies for the use of the House of Representatives, to be apportioned as follows: Two thousand to the Committee on Ways and Means, 1,000 to the House document room, 12,000 to the House folding room, and 5,000 for the use of the Senate.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

THE TARIFF.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3321, the tariff bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the tariff bill, with Mr. GARRETT of Tennessee in the chair.

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Washington [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Mr. Chairman, although this is my second term, I confess that I still feel some embarrassment when I rise in the House of Representatives, and see all the seats filled and the galleries full to overflowing, and it is hard for me to overcome that embarrassment and properly address myself to the business of the House—the tariff bill under consideration.

Mr. Chairman, this bill to reduce tariff duties and to provide revenue for the Government, and for other purposes, is only different from other Democratic tariff bills in the past in that it cuts a little deeper, is a little more drastic, and is a little more reprehensible than former measures, and also contains the income-tax feature.

Aside from that you could almost imagine it to be the same handiwork of the committee that framed the Mills bill of 1888 and those again who wrote the Wilson bill of 1894. The same old stock arguments that have been handed down by Democratic Ways and Means Committees since 1846 are used here. They evidently go on the theory "that there is nothing new under the sun," especially in the ideas of Democracy. Like the laws of the Medes and Persians, they are immutable.

Mr. Chairman, the people and the Government of the United States have been the most prosperous in the last decade of any nation in this or any other like period of the world's history.

There has been greater advancement in all material things than ever before, and we think in moral and mental attributes as well. Our people have been better fed, better clothed, better warmed, better taught, and better protected in all essentials than ever before in our history—not that we have been free from hunger, want, and suffering, or from oppression and outrages of various kinds. Unfortunately, we will probably never be free from such misfortunes and calamities, but we have had less of these than at many other periods in our history.

Mr. Chairman, it was inevitable that at a time of such unprecedented prosperity some abuses should arise, some mistakes be made. It has been found that certain interests were benefiting by the mistakes and abuse which crept in during this great period of development, of exploitation, and national prosperity. The entire people have become convinced of that fact and have been clamoring for corrections of abuses, for laws curbing special privileges, and for the checking of unlawful combinations in restraint of trade.

Mr. Chairman, the gentleman from Alabama [Mr. UNDERWOOD] referred with some pride in his opening speech on this bill to that period prior to the Civil War when, under Democratic Congresses, this country levied low tariff duties under which both the Government and the people thrived and prospered. He evidently got those ideas from some of the reports of later Democratic Ways and Means Committees who were endeavoring to justify their attempts to put this country on a free trade or tariff for revenue basis and not from competent records written by members of his own party.

DEMOCRATIC PRESIDENT TELLS OF DEMOCRATIC TARIFF DISTRESS.

Mr. Chairman, President Buchanan in his first annual message to the Thirty-fifth Congress speaks differently of those good old times so graphically described by the gentleman from Alabama. President Buchanan had this to say of the condition of the country, the finances, and the distress of the people:

> We have possessed all the elements of material wealth in rich abundance, and yet notwithstanding all these advantages our country, in its monetary interests, is at the present moment in a deplorable condition. In the midst of unsurpassed plenty in all the productions of agriculture and in all the elements of national wealth we find our manufactures suspended, our public works retarded, our private enterprises of different kinds abandoned, and thousands of useful laborers thrown out of employment and reduced to want. The revenue of the Government, which is chiefly derived from duties on imports abroad, has been greatly reduced, whilst the appropriations made by Congress at its last session for the current fiscal year are very large in amount.
>
> Under the circumstances a loan may be required before the close of your present session; but this, although deeply to be regretted, would prove to be only a slight misfortune when compared with the suffering and distress prevailing among the people. With this the Government can not fail deeply to sympathize, though it may be without the power to extend relief.

Does this extract from the message of a Democratic President correspond with the claims of universal prosperity in ante bellum days? [Applause on the Republican side.]

Mr. Chairman, by an unfortunate contretemps, which it is not worth while to discuss at this time, the Democratic Party has again come into control of the affairs of this Nation.

That party has been a splendid minority party in the past. As an instrument for holding in check the majority it has been excellent, but as a majority party history shows that partisan Democracy has never measured up to the standard necessary for the welfare of the American people.

Like individuals and families, the only way a political party can grow is by correcting its mistakes, initiating new methods, profiting by past failures, and trying to attain to higher things. Has the Democratic Party grasped this fact? No; it is attempting to better the condition of the American people by materially reducing the purchasing power of the majority of that people by striking a body blow at the greatest factor in our national prosperity, the agricultural classes of our country. This class, by the very nature of things, distribution, diversity of products, and economic position, becomes the prime factor in our development and material welfare, and fortunate indeed is the nation which by fostering care and jealous guard maintains agriculturalists as the bulwark of its moral and physical well-being.

AX, NOT JACKSCREW, USED ON FARM PRODUCTS.

Mr. Chairman, the gentleman from Alabama said that in framing this bill they had attempted to use a jackscrew and let rates down gradual, and had not used an ax. The gentleman should have qualified the remark with an exception as to agricultural products, to which, with but few exceptions, they have applied the ax most ruthlessly; also to the lumber industry of the country, including lath and shingles.

He says agricultural products were only reduced 42 per cent, but in reality it was lowered double that amount, and the leaving of 10 cents a bushel tariff on wheat was simple irony when flour was placed on the free list, the only result being to injure the farmers' home market, the milling industry, and to destroy his opportunity for getting any better than an export price for his heretofore differential or milling grades. The products of the agriculturalists of the United States placed on the free list are bran and wheat, screenings, broom corn, buckwheat and buckwheat flour, corn or maize, corn meal, cotton, flax straw, berries, hides of cattle, lard, meats of all kinds, including fresh beef, veal, mutton, lamb, pork, bacon and hams; milk and cream, including preserved or condensed; oats (10 cents a bushel), oatmeal, rolled oats, and oat hulls; potatoes, dried, desiccated, and so forth; rye and rye flour; skins of goats and sheep; swine or hogs; tallow; wheat (10 cents a bushel), wheat flour, and semolina.

Agricultural products not on the free list have been reduced in many cases more than 50 per cent—wheat from 25 cents to 10 cents a bushel, but is practically free when flour is made free.

Hay was reduced from $4 a ton to $2 a ton, 50 per cent, and apples from 25 cents a bushel to 10 cents a bushel, or 2½ cents the bushel less than the Canadian rate.

REPUBLICAN PARTY KEPT FAITH WITH FARMERS.

Mr. Chairman, there has been a widespread belief in this country that Canada, our northern neighbor, was in no sense of the word a fruit country; that the seasons were so cold and capricious there that it was next to impossible for them to raise even the hardier varieties of fruits. And I suppose such is the opinion of the Ways and Means Committee which is responsible for this bill; otherwise I can hardly conceive that they would have put the tariff on apples down to 10 cents a bushel, which is 2½ cents less than the tariff rate charged by Canada. The Republican Party in framing fariff measures has always attempted to keep faith with the agricultural classes, and up until two years ago, when Mr. Taft was unfortunately advised to negotiate the Canadian reciprocity misnomer, in which he was so ably abetted and backed by the Democratic Party, no Republican has attempted to double-cross them. Mr. Taft, backed up by Senator Beveridge, of Indiana, and by ex-President Roosevelt, of Oyster Bay, and by the majority of the newspapers of the country, who hoped for a personal gain in free printing paper, stood for a reciprocity, which was a gold-brick fake to the American farmer, and that more than any other one thing contributed to his being retired to private life. His being unfortunate in his advisers did not excuse or lessen his responsibility.

The Republican Party, realizing that Canada's great orchard country lay contiguous to ours, and not wishing to turn our great market of scores of manufacturing cities in close proximity to Canada over to them on equal terms with the farmers of New York, Michigan, Ohio, Missouri, and all the other great apple-producing States, who help to build our roads, our bridges, our schoolhouses, and to support our county and State governments, put a tariff of 25 cents a bushel on Canadian apples to equalize those burdens and to insure to the American growers their home market. The result has been very beneficial to the industry, and the prices have been satisfactory to the American grower and not excessive to the consumer. The growing of orchards has been stimulated until thousands of acres of orchards have been planted, extending from New York to Georgia and all along the great Appalachian chain, Virginia, West Virginia, Maryland, and many other States adding to their orchard area very extensively, hoping to reap profits from a growing industry.

AMERICAN APPLE MARKET TURNED OVER TO CANADA.

Canada, on account of a 25-cent duty against its apples, has been forced to market its surplus abroad, and take the risks attendant on distant shipments by both rail and water. Canada has not been adding to her orchard area as has the United States, still its surplus sales have been considerable for the past few years. In 1910 Canada bought from the United States 59,071 barrels of apples, valued at $261,792, and sold abroad the same year 1,040,000 barrels for $4,418,567, her exports exceeding her imports by five to one. In 1908 she exceeded that. In 1910 Canada also shipped 8,126,984 pounds of dried apples. Without any commercial orchards of consequence the Dominion

is shipping a surplus of green and dried apples equivalent to 6,000,000 to 8,000,000 bushels of apples. What is it capable of doing when the tariff rate is placed so low that it is more profitable to sell in the United States than to ship abroad? I hear my Democratic friends saying that it will cost as much, or more, to raise apples in Canada than in the United States. I think they are mistaken, for successful raising is one that demands eternal vigilance to keep down fungus diseases and insect pests, and every mile you travel south from the most northerly point they can be raised those fungus and insect pests become more numerous and virulent. The successful grower of apples or any other kind of fruit in the mild climates will earn all profits he can get out of the business, and should be protected against those countries that do not help to maintain this one.

QUESTION: WHO ARE NONCONSUMERS?

Mr. Chairman, the gentleman from Alabama yesterday laid great stress on what they were going to do for the great consuming class in the country. I can easily comprehend the difference between a producing class and a nonproducing class, but I must confess I find it impossible to understand what the gentleman denominates the great consuming class. I find it utterly impossible to differentiate as to consumers. We are all consumers, and I maintain that the gentleman's measure, while it will undoubtedly reduce the cost of living in some instances, will do infinitely more harm than good, because every million of dollars he lowers the purchasing power of the American producers by giving their market to foreign producers takes just that much wealth from the development and growth of our own activities and lessens our own general welfare beyond recall. [Applause on the Republican side.]

Mr. Chairman, the gentleman from Alabama very eloquently told of how they were going to secure eighty to one hundred millions of revenue from the income tax, and when I looked at his figures I found that out of a total population of nearly 100,000,000 people there were only 425,000 people who they estimate would have net incomes of $4,000 or more—less than one-half of 1 per cent of our population. Are we to judge from the fact that the agriculturists of the country are hit the heaviest in this tariff bill that you consider a large majority of this income from the "malefactors of great wealth" will be derived from the agricultural classes, and help to reduce their arrogance and pride? No; I am satisfied you had no such thought, and I have no doubt that the farmer was practically left out of your calculation in preparing this table, yet he produced values in 1910 of nearly $9,000,000,000, or almost two-thirds as much as was realized on all the manufactured products of the United States, including repairs in that period. He paid out nearly $700,000,000 for labor in 1910, and $130,000,000 for agricultural machinery and more than $114,000,000 for fertilizers.

FARMER LABORS LONGEST FOR LEAST GAIN.

Of the wealth he creates he probably gets the smallest net gain of any line of business in the United States, puts in the longest hours at labor, endures more hardships incident to exposure to variable weather and climatic conditions, has fewer of what are termed comforts of life and more of its vicissitudes than any other class. He stands to lose his all by flood or drought, by hot winds or frigid weather, by chinch bugs, boll weevil, Hessian fly, San Jose scale, army worms, insects, or fungous diseases that prey upon the products of his toil, and last, but not least, Democratic tariff revisionists who openly say they are going to reduce the cost of his products and cut the cost of living to the consumer by making it possible for increased importations from abroad of all those things which he produces.

They expect to compensate him for his losses by giving him free agricultural machinery, free binding twine that is now on the free list, and yet the Statistical Abstract shows that from 1900 to 1910 there was not a dollar's worth of agricultural machinery imported into the United States, while we exported more than $28,000,000 worth in the year 1910.

Putting agricultural machinery on the free list is simply buncombe. There was never a protest from any agricultural machinery manufacturers against their product going on the free list. No other country makes as good a class of agricultural machinery as we do, and our farmers would not buy foreign implements if they were imported. Your putting this product on the free list will not cause any foreign capital to engage in its manufacture for export to this country, for they well know that a succeeding Congress can and probably will change that provision in the law.

WASHINGTON STATE COMPLETELY DEPRIVED OF PROTECTION.

Mr. Chairman, there are none of the products of my State that this bill fails to put on the free list or reduce to a minimum—lumber, shingles, lath, fish, flour, rye and rye flour, oatmeal and milling products; barley, 54 per cent of present rate; barley malt, 60 per cent; wheat, 10 per cent—practically free; oats, 50 per cent reduction for feed, free as far as milling oats is concerned, as oatmeal is free; hay, 50 per cent reduction; cattle, reduced 62½ per cent; beef, free; horses valued at $150 or less, 54 per cent; at over $150, 60 per cent reduction; mules valued at $150 or more, 77½ per cent reduction; mules valued at $150 or less, 60 per cent reduction; horses and mules, average, 60 per cent reduction; sheep, 61 per cent reduction; wool, free; mutton, free; hogs, free; lard, pork, hams, bacon, free. On shingles alone my State, which produced 59.6 per cent of the entire output of the United States as compiled by the 1910 census, making 8,879,467 thousands out of a total of 14,907,371 thousands, total of the United States, worth on an average of $1.81 per thousand.

Mr. Chairman, this price of $1.81 a thousand in 1909 at the factory does not seem excessive to me. I hardly think the people who made them for that price can ever become "malefactors of great wealth" or bloated capitalists, yet they are a great factor in the welfare of my State, and at the price mentioned produced that year $16,066,405 worth, giving employment to thousands of people and diffusing this vast sum into the arteries of commerce in my State. The Ways and Means Committee has ruthlessly "jackscrewed" duty on this product "with an ax," reducing the rate from 50 cents the thousand shingles to the free list. Yet we are told here this is a gentle reduction that will work no harm.

The present small tariff on shingles is one sufficient to keep the industry in the United States, because with shingles on the free list the American manufacturer can not compete with the cheap Hindu labor of Canada and must needs shut up shop. Shingles, too, let it be explained, are not the product of the Lumber Trust, but, instead, are made almost solely by concerns of limited capital.

What has been said of shingles will apply equally to lath and many other products ruthlessly put on the free list. Another product of our American farmers is wool, also placed on the free list under this bill.

SIMILAR ASSAULT MADE ON AGRICULTURE IN 1888.

Mr. Chairman, the Democratic majority in the House of Representatives in 1888 evolved a tariff much like this one, not quite as drastic, but bad enough. In the report made to Congress by the Ways and Means Committee they had this to say about wool:

The repeal of all duties on wool enables us to reduce the duties on manufactures of wool $12,332,211.65. The largest reduction we have made is in the woolen schedule, and this reduction was only made possible by placing wool on the free list.

A duty on wool makes it necessary to impose a higher duty on the goods made from wool, and the consumer has to pay a double tax. If we leave wool untaxed, the consumer has to pay tax only on the manufactured goods.

We say to the manufacturer we have put wool on the free list to enable him to obtain foreign wools cheaper, and send them into foreign markets and successfully compete with the foreign manufacturers. We say to the laborer in the factory we have put wool on the free list so that it may be imported and he may be employed to make the goods that are now made by foreign labor and imported into the United States.

We say to the consumer we have put wool on the free list that he may have woolen goods cheaper. We say to the domestic woolgrower we have put wool on the free list to enable the manufacturer to import foreign wools to mix with his, and thus enlarge his—the domestic woolgrower's—market and quicken the demand for the consumption of home wool, while it lightens the burden of the taxpayer.

The Democratic minority in the Senate had this to say about wool in the same Congress:

The minority are firmly convinced that besides the incalculable advantage to the whole country which would result from the placing of wool upon the free list, it is easily demonstrated that no class will suffer, but that each will reap his share of the benefit. We will import more wools, of course, and in no other way can our great factories prosper, because their capacity is beyond our own wool production. The manufacturers will export woolen goods as we now export cotton and leather, and the demand for the wool will better the wool market and encourage production, while the average woolgrower himself will reap from cheapened clothing more benefits than he ever did from a tax on his product which he must himself pay.

WILSON BILL DUPLICATE OF MILLS BILL.

Mr. Chairman, the Mills bill, fortunately for the country, I think, never became a law, but five years later the Wilson bill, with much the same provisions, did become a law, and the Ways and Means Committee that brought it out used the same arguments with reference to the manufacturer, the producer, and the consumer as did the committee reporting out the Mills bill. They told how free wool would stimulate the manufacturers of woolens to the great benefit of the owner and his factory help, so that he not only could control his home market but compete on an equality with the manufacturers abroad. They had this to say:

This House in two Congresses in recent years having after full debate passed laws putting wool upon the free list, it is not deemed necessary in this report to attempt a restatement of the reasons for

doing so. It is enough to say that the tariff upon wool while bringing no real benefit to the American woolgrower, least of all to the American farmer—most all woolgrowers in this country are farmers—who in any balancing of accounts must see that he yearly pays out a good dollar for every doubtful dime he may receive under its operation, has disastrously hampered our manufacturing industry and made cruel and relentless war upon the health, the comfort, and the productive energy of the American people.

With free wool we anticipate great benefits to consumers of woolen goods, a revival of the woolen industry such as that which followed the tariff of 1857, and a steadier and better market for the American woolgrower.

PRICES CHEAPENED, BUT NO MONEY TO BUY.

Mr. Chairman, the Wilson bill was passed, and for three years we existed under it. The manufacturer who was to have free wool, so that he could buy foreign wool and manufacture so cheaply that he could compete with his goods in the markets of the world, found that he could not operate with free wool and cheaper labor—both of which he received under the Democratic tariff bill—as his home market had been practically destroyed by the effects of this measure and the purchasing power of the Nation reduced to the lowest ebb. The factory employee found the promise to him of steadier work on account of free wool did not materialize. In many cases he found himself without work at all at any price. The consumer could possibly have purchased not only his woolen goods some cheaper, but almost everything else. The truth of the matter is he found them relatively much higher than before, as he was pretty generally without the necessary medium of exchange at any price, and the poor wool producer, who had been promised an increased demand for his product and cheaper goods to counteract any lower price, found himself pretty generally without the price to purchase the cheaper goods promised him; the demand for his wool greatly diminished, as well as the price for both the wool and the sheep, each having decreased some 50 per cent, the flocks oftentimes more than 100 per cent. I tell you, gentlemen, those times made sheepmen throughout the United States "red-headed" mighty fast. With the recollection of those conditions, it really seems incredible to think that the same destructive measures are again about to be enacted into law; and as in all former Democratic measures, the agricultural classes, on whose prosperity very largely depends the general welfare of our country, have received least consideration. The farmer is not only the greatest producer of wealth, but is also the greatest consumer. The census of 1910 gives the rural population of the United States, including towns of less than 2,500, as 49,348,883, out of a total population of continental United States of 91,972,266, or practically 54 per cent of the total, who receive their principal sustenance directly or indirectly from agriculture. In addition to that, probably 25 per cent of the balance receive their living indirectly from agriculture. Take agricultural machinery manufacturing alone, which has salaried employees and wage earners numbering 75,000 people, who on a basis of four to the family would represent practically a quarter of a million people, getting their livelihood from that industry, and 90 per cent of their products are annually consumed by the American farmer. Great quantities of almost every commodity are consumed by those who comprise 54 per cent of the total, and on the prosperity of that 54 per cent is largely dependent the welfare of all. You can not reduce their purchasing power without hurting those enengaged in every other line of human endeavor, and I reiterate that any Government that thinks it can become more prosperous by reducing the income of its agricultural classes is making an economic mistake from every viewpoint, and I can not see by what process of reasoning the products of one class of people are placed in competition with the products of the world for the benefit of another class.

WHY PROTECT MANUFACTURER AND NOT PRODUCER?

If wool can be produced abroad cheaper than in this country, is not the producer of that commodity as much entitled to protection as the manufacturer of the product is against the cheaper-made goods from abroad? Under the special plea of benefit to the consumer all agricultural products are practically placed on the free list or greatly reduced.

Why, Mr. Chairman, I notice that the Ways and Means Committee has seen fit to reduce the tariff on peanuts from one-half of a cent a pound, as it now stands, to three-eighths of 1 cent a pound, and on shelled peanuts from 1 cent a pound to three-fourths of a cent a pound, a reduction of 25 per cent in the present duties. I think this reduction is totally unwarranted and will work a hardship on a great many people who are engaged in a business that does not now pay any greater reward than they are entitled to. The total acreage in peanuts in 1909 was 869,887, which produced 19,415,816 bushels, valued at $18,271,929. North Carolina, Georgia, Virginia, Florida, Alabama, Texas, Louisiana, Tennessee, Mississippi, Arkansas, South Carolina, Oklahoma, Missouri, New Mexico, California, and Kansas, respectively, raise peanuts, North Carolina standing first, with 195,134 acres, and Kansas last, with 48 acres. Peanuts imported in 1910 amounted to 29,276,235 pounds, worth $1,234,088. The largest peanut-raising State in the South is North Carolina, with 195,134 acres, producing 5,980,919 bushels, worth $5,368,826. North Carolina paid out for fertilizers that year to enable them to raise all crops $12,262,533; $5,444,950 for labor. The expense for fertilizers alone was an average of $[illegible].23 per acre for each acre of peanuts raised, or $240,014.82 for the crop.

"PEANUT POLITICIANS" MOVED BY SYMPATHY FOR PEANUT CONSUMERS.

Mr. Chairman, I presume this reduction in the tariff on peanuts was prayerfully and tearfully considered by the Ways and Means Committee. No doubt their hearts were wrung by the cry of the consumers of peanuts for a little larger glass or bag for 5 cents, and it will be the consumer and not the vender that will profit by this reduction, and if this lower tariff should result in some millions of pounds more coming from Spain, Italy, Mexico, and other foreign countries, and reduce the price a little lower to those who are paying taxes to support the governments of the various States in this country now engaged in raising this product, your committee will feel that it did not act in vain and no doubt you will expect the raisers of peanuts to hereafter speak with pride of their "peanut politicians." [Applause.] The peanut raisers, the potato growers, and all the vast army of agriculturists in this country should rise up and call you blessed, for what they get comes easy—they only work 16 hours a day for it.

Mr. Chairman, I notice on page 104, beginning at line 15, in the list the following: "Bagging for cotton," and so forth. I congratulate the cotton raisers of the South that they are to have free bagging for cotton, and the southern Members here are to be felicitated for being able to scoop their Democratic colleagues from the great wool States of Ohio, Montana, and Colorado. You get free covering for your cotton raisers, but make your woolgrowers pay 25 per cent ad valorem for the bag that carries his free wool. Likewise, the Pacific States wheat raiser; you put his wheat on the free list when you let flour come in free, but you make him pay 25 per cent ad valorem on his grain bag in which he exports his wheat to the Liverpool market, and you make the same material free to your cotton raiser, sending his product to the same or other markets. This is Democratic equality. I congratulate the cotton raisers and those Members who were able "to put this over."

MIRACLE OF MANNA FROM HEAVEN MAY BE REVIVED.

Mr. Chairman, on page 115, line 11, article 545, I observe manna comes in free under this bill. I think the people of the entire country are to be congratulated on manna being left on the free list, for after this law has been in effect for a year or two they will probably long for the manna with which the Lord God of Hosts fed the Israelites without cost and without price, and it will no doubt be a welcome adjunct to the bill of fare at free soup houses and other charitable institutions should conditions prevail after the passage of this act such as followed the enactment of the Wilson bill in 1894. May God forbid! [Applause.]

Mr. UNDERWOOD. Mr. Speaker, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 3321, the tariff bill, and had come to no resolution thereon.

ADJOURNMENT.

Then, on motion of Mr. UNDERWOOD, at 6 o'clock and 16 minutes p. m., the House adjourned until to-morrow, Friday, April 25, 1913, at 11 o'clock a. m.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HILL: A bill (H. R. 4231) to make appropriation for the strengthening and construction of levees along the Ohio and Mississippi Rivers in the vicinity of Cairo and in Alexander and Pulaski Counties, Ill.; to the Committee on Rivers and Harbors.

By Mr. TOWNSEND: A bill (H. R. 4232) to amend section 1440 of the Revised Statutes of the United States; to the Committee on Naval Affairs.

By Mr. KEY of Ohio: A bill (H. R. 4233) levying a tax on wines made of pomace or blended with pomace; to the Committee on Ways and Means.

By Mr. KETTNER: A bill (H. R. 4234) providing certain legislation for the Panama-California Exposition, to be held in San Diego, Cal., during the year 1915; to the Committee on Ways and Means.

By Mr. SPARKMAN: A bill (H. R. 4235) authorizing the manufacture of cigars of imported tobaccos in bonded warehouses; to the Committee on Ways and Means.

By Mr. SMITH of Maryland: A bill (H. R. 4236) providing for an additional associate justice of the Supreme Court of the District of Columbia; to the Committee on the Judiciary.

By Mr. ROBERTS of Nevada: A bill (H. R. 4237) to establish an agricultural experiment station at Overton, Clark County, Nev.; to the Committee on Agriculture.

By Mr. O'SHAUNESSY: A bill (H. R. 4268) to amend an act to amend the laws relating to navigation, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 4269) providing for the discontinuance of the grade of post noncommissioned staff officer, and creating the grade of warrant officer in lieu thereof; to the Committee on Military Affairs.

Also, a bill (H. R. 4270) for the erection of a Federal building for the United States post office at Warren, R. I.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4271) to amend section 13 of an act entitled "An act to promote the efficiency of the militia, and for other purposes"; to the Committee on Military Affairs.

Also, a bill (H. R. 4272) for the purchase of additional land and for repairing the Federal building at Bristol, R. I.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4273) referring the claim of the State of Rhode Island to the Court of Claims for adjudication; to the Committee on War Claims.

By Mr. RAKER: Resolution (H. Res. 75) calling for information from the Secretary of the Interior and the Secretary of Agriculture concerning Pitt River project, California; to the Committee on Irrigation of Arid Lands.

By Mr. GARDNER: Joint resolution (H. J. Res. 73) providing for the establishment of a hospital ship in connection with the American fisheries; to the Committee on the Merchant Marine and Fisheries.

By Mr. CALDER: Joint resolution (H. J. Res. 74) authorizing and directing the President of the United States to issue medals to the survivors of the Battle of Gettysburg; to the Committee on Military Affairs.

By Mr. O'SHAUNESSY: Joint resolution (H. J. Res. 75) appropriating $25,000 for meeting the expenses of an international congress of the educators of the leading nations of the world; to the Committee on Appropriations.

By the SPEAKER (by request): Memorial of the Legislature of California, favoring an appropriation for the investigation and treatment of tuberculosis; to the Committee on Appropriations.

Also (by request), memorial of the Legislature of California, favoring the construction of reservoirs for the storage of surplus flood waters of Sacramento and San Joaquin Rivers; to the Committee on Irrigation of Arid Lands.

By Mr. BELL of California: Memorial of the Legislature of the State of California, asking Congress to empower the Department of Agriculture to make an investigation of measures for protection of fruit from frost damage; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of California, protesting against the proposed reduction of the duty on citrus fruits below the point where the difference in the cost of production of the same would be equalized; to the Committee on Ways and Means.

By Mr. HAYES: Memorial of the Legislature of California, against the reduction of the tariff on sugar; to the Committee on Ways and Means.

Also, memorial of the Legislature of California, against the reduction of the tariff on citrus fruits; to the Committee on Ways and Means.

Also, memorial of the Legislature of California, asking rights to waters of Lake Tahoe; to the Committee on Irrigation of Arid Lands.

Also, memorial of the Legislature of California, favoring an appropriation for the investigation and treatment of tuberculosis; to the Committee on Appropriations.

Also, memorial of the Legislature of California, favoring an appropriation for construction of reservoirs for the storage of flood waters of Sacramento and San Joaquin Rivers; to the Committee on Irrigation of Arid Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN: A bill (H. R. 4238) granting a pension to John E. Clark; to the Committee on Pensions.

Also, a bill (H. R. 4239) granting a pension to William C. Wittfelt; to the Committee on Pensions.

Also, a bill (H. R. 4240) granting an increase of pension to Henry F. Sterry; to the Committee on Pensions.

Also, a bill (H. R. 4241) granting an increase of pension to Elizabeth Fisk; to the Committee on Pensions.

Also, a bill (H. R. 4242) granting an increase of pension to Jane Coleman; to the Committee on Invalid Pensions.

By Mr. BOWDLE: A bill (H. R. 4243) granting an increase of pension to Lucy A. Cadle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4244) for the relief of heirs of Hugh McGlincey; to the Committee on Claims.

By Mr. BRODBECK: A bill (H. R. 4245) granting a pension to Mary M. Krafft; to the Committee on Invalid Pensions.

By Mr. BUCHANAN of Illinois: A bill (H. R. 4246) granting an increase of pension to William Seaburg; to the Committee on Invalid Pensions.

By Mr. BYRNS of Tennessee: A bill (H. R. 4247) for the relief of the estate of Ferdinand E. Kuhn; to the Committee on War Claims.

By Mr. GOLDFOGLE: A bill (H. R. 4248) for the relief of Nelson D. Dillon, executor of Harriet A. Dillon, deceased, widow of Robert Dillon, deceased; to the Committee on War Claims.

By Mr. HILL: A bill (H. R. 4249) to correct the military record of E. J. Sanders and grant him an honorable discharge; to the Committee on Military Affairs.

By Mr. KEY of Ohio: A bill (H. R. 4250) granting a pension to Elizabeth Youngblood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4251) granting a pension to Manerva Hedges; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4252) granting an increase of pension to David Mooney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4253) granting an increase of pension to Joseph H. Blaney; to the Committee on Pensions.

Also, a bill (H. R. 4254) granting an increase of pension to William Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4255) to correct the military record of John Bassles; to the Committee on Military Affairs.

Also, a bill (H. R. 4256) to correct the military record of Frank Baldy; to the Committee on Military Affairs.

Also, a bill (H. R. 4257) to correct the military record of Lewis Corfman; to the Committee on Military Affairs.

By Mr. KONOP: A bill (H. R. 4258) granting a pension to Katie M. Hale; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 4259) granting an increase of pension to John W. Huff; to the Committee on Invalid Pensions.

By Mr. MANN: A bill (H. R. 4260) for the relief of Thomas H. Thorp; to the Committee on Military Affairs.

By Mr. SELLS: A bill (H. R. 4261) granting a pension to Oscar C. Oliver; to the Committee on Pensions.

Also, a bill (H. R. 4262) granting a pension to James C. Presley; to the Committee on Pensions.

Also, a bill (H. R. 4263) granting an increase of pension to David Branson, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4264) granting an increase of pension to William R. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4265) granting an increase of pension to John R. Mullennix; to the Committee on Invalid Pensions.

By Mr. WINGO: A bill (H. R. 4266) granting patent to certain lands to the legal heirs of W. F. Nichols; to the Committee on the Public Lands.

By Mr. WINSLOW: A bill (H. R. 4267) granting a pension to Alexander Frazier; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 4274) granting a pension to Elizabeth Kenyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4275) granting an increase of pension to Joseph N. Weaver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4276) granting an increase of pension to Emeline F. Vickery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4277) granting an increase of pension to Mary Denny; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4278) granting an increase of pension to Sarah Boylan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4279) granting an increase of pension to James C. Potter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4280) granting an increase of pension to Flora A. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4281) granting an increase of pension to William J. Knowles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4282) granting an increase of pension to William L. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4283) granting an increase of pension to Catharine J. Warren; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4284) granting an increase of pension to Amanda S. Carr; to the Committee on Pensions.

Also, a bill (H. R. 4285) granting an increase of pension to Mary Ella Fales; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4286) granting an increase of pension to Henry M. Chase; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4287) for the relief of Frank M. Horton; to the Committee on War Claims.

Also, a bill (H. R. 4288) granting an increase of pension to Johanna Smith; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Cigar Makers' International Union of America, against unlimited free trade with the Philippine Islands; to the Committee on Ways and Means.

By Mr. DALE: Petition of A. Epstein, Herman Remirs, Henry Bishoff, A. F. Reniere, Andrew C. Rouch, and E. T. Landon, of Brooklyn, N. Y., against imposing a tax upon proceeds of life-insurance policies and favoring amending the tariff bill so as to exempt from income tax mutual life insurance companies; to the Committee on Ways and Means.

Also, petition of sundry citizens of Shelby, N. C., against the reduction of the duty on monazite; to the Committee on Ways and Means.

Also, petition of the New York Zoological Society, favoring the clause in the tariff bill prohibiting the importation of wild-bird plumage, etc.; to the Committee on Ways and Means.

By Mr. GARDNER: Petition of sundry citizens of Gloucester, Marblehead, and Newburyport, Mass., and the Universalist Church of Beverly, Mass., favoring the repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls or the arbitration of the question at issue with the British Government; to the Committee on Interstate and Foreign Commerce.

Also, petition of Otto Kirach and other employees in the lithographic industry, against the reduction in duty as proposed in paragraph 333 of the tariff bill; to the Committee on Ways and Means.

Also, petition of Charles P. Baumgartner and 20 other shoe workers in Newburyport, Mass., against any radical change in the tariff on boots and shoes; to the Committee on Ways and Means.

By Mr. GOLDFOGLE: Petition of the Richmond Chamber of Commerce, Richmond, Va., favoring the passage of legislation making a reform in the present banking system of the United States; to the Committee on Banking and Currency.

Also, petition of David Starr Jordan and George Archbald Clark, Stanford University, Cal., protesting against the reducing of the force of Government agents on the fur-seal islands; to the Committee on Ways and Means.

Also, petition of the Manufacturing Perfumers' Association of the United States, New York, N. Y., protesting against the removal of oils and other materials from the free list; to the Committee on Ways and Means.

Also, petition of the Chamber of Commerce of Plattsburg, N. Y., protesting against the passage of legislation for the reorganization of the customs service; to the Committee on Ways and Means.

Also, petition of M. Turkeltaub & Son and Doblin, Schamberg & McKeown, New York, N. Y., protesting against the reduction of the tariff on vegetable ivory buttons; to the Committee on Ways and Means.

Also, petition of the J. Wilcakes Co., New York, N. Y., protesting against the proposed reduction of the tariff on sugar; to the Committee on Ways and Means.

Also, petition of the Snow Steam Pump Works, Buffalo, N. Y., protesting against any reduction of the present tariff on machinery; to the Committee on Ways and Means.

Also, petition of the Waring Hat Manufacturing Co., Yonkers, N. Y., and the United Hatters of North America, Locals Nos. 7 and 8, of Brooklyn, N. Y., protesting against any reduction of the present duty on hats; to the Committee on Ways and Means.

Also, petition of the New York Association of Biology Teachers, New York, N. Y., favoring the passage of legislation prohibiting the importation of the feathers and plumes of wild birds for commercial use; to the Committee on Ways and Means.

By Mr. GOULDEN: Petition of 15 citizens of the twenty-third New York district, protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

By Mr. HAYES: Petition of the National Association of Railway Commissioners, favoring an appropriation of $4,500 for blanks for annual reports of railroads by the Interstate Commerce Commission; to the Committee on Appropriations.

Also, petition of Levi Strauss & Co. and 56 other business houses of San Francisco and Los Angeles, Cal., protesting against the reduction of the tariff on sugar; to the Committee on Ways and Means.

Also, petition of the Citrus Protective League, Los Angeles, Cal., protesting against the reduction of the tariff on citrus fruits; to the Committee on Ways and Means.

Also, petition of the Civic Improvement Club, Morgan Hill, Cal., favoring the passage of legislation for the preservation of the Niagara Falls; to the Committee on Interstate and Foreign Commerce.

Also, petitions of Harry B. Gregory, Santa Barbara; Home Industry League, San Francisco; Chamber of Commerce, Sacramento; Frank A. De Cray and Catherine A. Wilkins, Santa Cruz, all in the State of California, protesting against the reduction of the tariff on sugar; to the Committee on Ways and Means.

Also, petitions of A. W. Scott, jr.; J. S. Dunningan; the Ames Harris Neville Co.; and the W. A. Plummer Manufacturing Co., all of San Francisco, Cal., protesting against the reduction of the tariff on jute bags and burlap; to the Committee on Ways and Means.

By Mr. LEVY: Petition of sundry citizens of New York, favoring the clause exempting from taxation all mutual life insurance companies; to the Committee on Ways and Means.

Also, petition of Cigar Makers' Local Unions of New York, N. Y., against free trade with the Philippine Islands; to the Committee on Ways and Means.

Also, petition of the Pennsylvania Millers' State Association, urging that if a tariff be placed on grain an equal tariff be placed on the products of grain; to the Committee on Ways and Means.

Also, petitions of Ignaz Strauss & Co., William Meyer & Co., H. Jacquin & Co., of New York, N. Y., against the assessment of any fee in relation to the filing of protests against the assessment of duties by the collector of customs; to the Committee on Ways and Means.

By Mr. J. I. NOLAN: Petition of Mr. W. B. Martin and 1,941 other citizens of the following cities and towns in the State of California: Alameda, Alvarado, Anaheim, Arroyo Grande, Artesia, Bay City, Berkeley, Betteravia, Blanco, Buena Park, Casmalia, Castroville, Chino, Compton, Concord, Daly City, Del Monte, Downey, El Monte, Foxen, Gardena, Garden Grove, Gilroy, Gonzales, Guadalupe, Harris Station, Hollister, Huntington Beach, Hueneme, Hynes, King City, Lompoe, Long Beach, Los Alamitos, Los Alamos, Los Angeles, Marysville, Meridian, Monterey, Moss, Nipomo, Norwalk, Oakland, Oceano, Orby, Orcutt, Owensworth, Oxnard, Pacific Grove, Pleasanton, Puente, Salinas, San Francisco, San Juan Bautista, San Luis Obispo, Santa Ana, Santa Barbara, Santa Cruz, Santa Maria, Sargent, Soledad, Spence, Spreckels, Van Nuys, Watsonville, Whittier, Wilmington, and Woodland, protesting against the proposed reduction in the duty on sugar; to the Committee on Ways and Means.

By Mr. ROGERS: Petition of Rev. A. Morrill Osgood and sundry citizens of Maynard, Burlington, Carlisle, and Stow, Mass., also of William C. Buck and other citizens of Reading, Mass., favoring the repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls or submitting to arbitration the question at issue with the British Government; to the Committee on Interstate and Foreign Commerce.

By Mr. SCULLY: Petition of sundry mills of the United States employing dyers and finishers of cotton corduroys, velvets, etc., favoring the present rates of duty under the act of 1909, schedule I; to the Committee on Ways and Means.

Also, petition of J. Wiss & Sons Co., of Newark, N. J., against the reduction of duty on scissors and shears; to the Committee on Ways and Means.

Also, memorial of sundry citizens of Shelby, N. C., against the reduction of the duty on monozite and thorium; to the Committee on Ways and Means.

Also, petition of Walter Travers Daniel against the proposed income tax on yearly dividends in mutual life insurance companies; to the Committee on Ways and Means.

By Mr. WALLIN: Petition of sundry citizens of the thirtieth district of New York, favoring an amendment to the income-tax section of the pending tariff bill, with reference to the tax proposed to be levied on life insurance companies; to the Committee on Ways and Means.